

EOG Resources, Inc.
P.O. 1910
Vernal, UT 84078

August 29, 2005

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

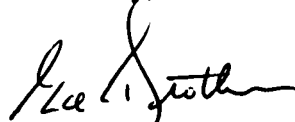
RE: APPLICATION FOR PERMIT TO DRILL
CHAPITA WELLS UNIT 674-6
SE/NW, SEC. 6, T9S, R23E
UINTAH COUNTY, UTAH
LEASE NO.: U-01304
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

Sincerely,



Ed Trotter
Agent
EOG Resources, Inc.

Attachments

RECEIVED

AUG 31 2005

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL

☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator
EOG RESOURCES, INC.

3a. Address **P.O. BOX 1815
VERNAL, UT 84078**

3b. Phone No. (Include area code)
(435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements.)

At surface

1760' FNL, 1995' FWL

At proposed prod. Zone

**638911X 40.067175
4436274Y SE/NW
-109.371123**

5. Lease Serial No.

U-01304

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

CHAPITA WELLS UNIT

8. Lease Name and Well No.

CHAPITA WELLS UNIT 674-6

9. API Well No.

43-047-37083

10. Field and Pool, or Exploratory

NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area

**SEC. 6, T9S, R23E,
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office*

19.15 MILES SOUTHEAST OF OURAY, UTAH

12. County or Parish

UINTAH

13. State

UTAH

15. Distance from proposed*

location to nearest
property or lease line, ft. **1760'**
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease

2451

17. Spacing Unit dedicated to this well

18. Distance from proposed location*

to nearest well, drilling, completed,
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth

9750'

20. BLM/BIA Bond No. on file

NM-2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

4905.7 FEET GRADED GROUND

22. Approximate date work will start*

UPON APPROVAL

23. Estimated duration

45 DAYS

24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

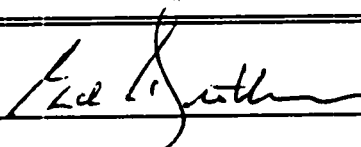
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature



Name (Printed/Typed)

Ed Trotter

Date

August 29, 2005

Title

Agent

Approved by (Signature)



Name (Printed/Typed)

**BRADLEY G. HILL
ENVIRONMENTAL SCIENTIST III**

Date

09-01-05

Title

Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

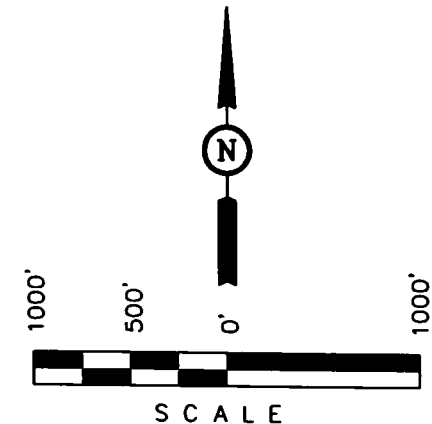
T9S, R23E, S.L.B.&M.

EOG RESOURCES, INC.

Well location, CWU #674-6, located as shown in the SE 1/4 NW 1/4 of Section 6, T9S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



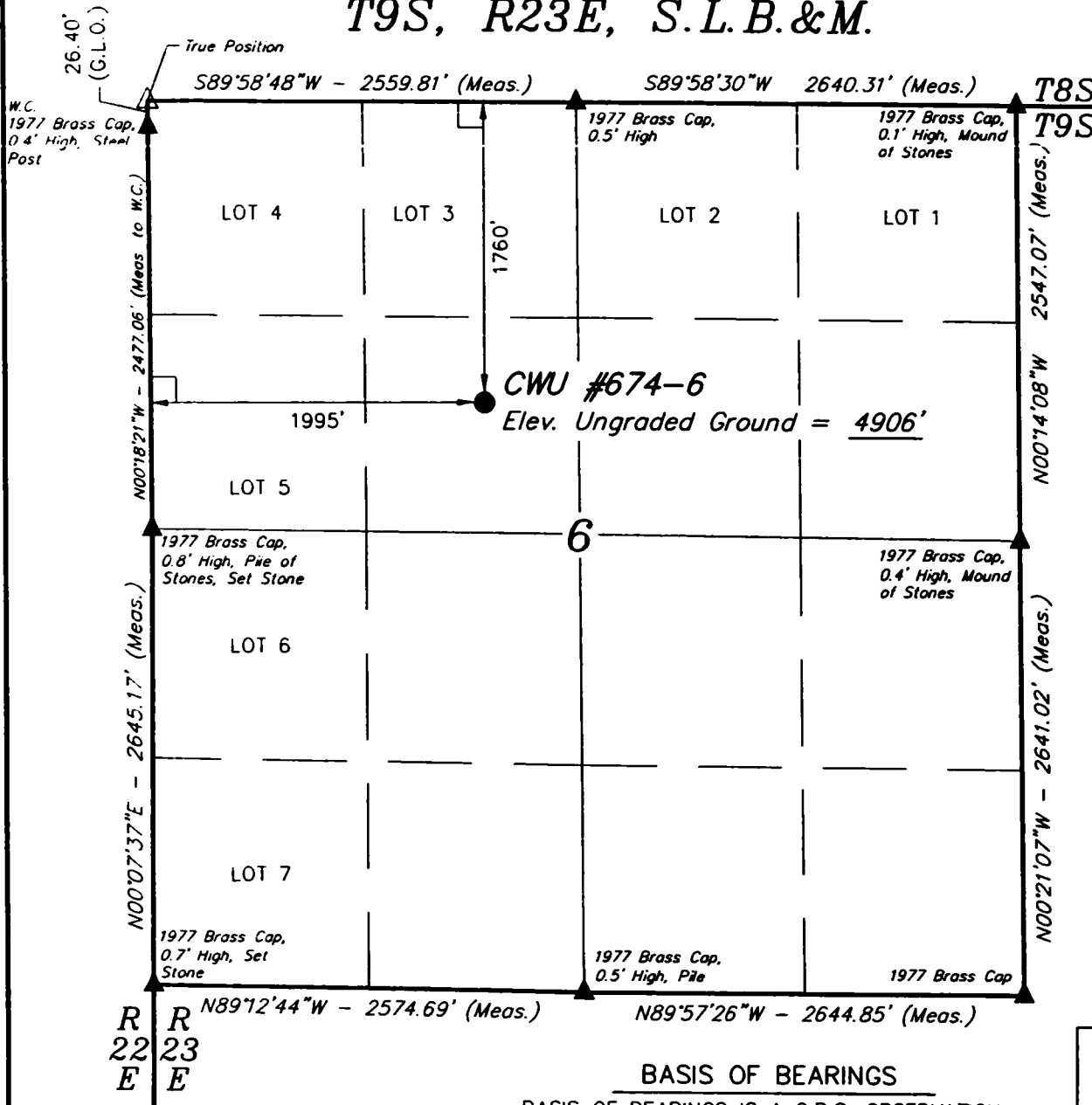
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert H. Key
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

| | | |
|-------------------------|-----------------------------|-------------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 04-12-05 | DATE DRAWN: 04-18-05 |
| PARTY G.S. B.C. P.M. | REFERENCES G.L.O. PLAT | |
| WEATHER COOL | FILE EOG RESOURCES, INC. | |



BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(NAD 83)

LATITUDE = 40°04'01.81" (40.067169)

LONGITUDE = 109°22'18.35" (109.371764)

(NAD 27)

LATITUDE = 40°04'01.94" (40.067206)

LONGITUDE = 109°22'15.90" (109.371083)

LEGEND:

└─┐ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

EIGHT POINT PLAN
CHAPITA WELLS UNIT 674-6
SE/NW, SEC. 6, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

| FORMATION | DEPTH (KB) |
|------------------------|-------------------|
| Wasatch | 5,029' |
| Chapita Wells | 5,675' |
| Buck Canyon | 6,343' |
| North Horn | 6,940' |
| Island | 7,378' |
| KMV Price River | 7,544' |
| KMV Price River Middle | 8,267' |
| KMV Price River Lower | 9,050' |
| Sego | 9,546' |

Estimated TD: 9,750' or 200'± below Sego top

Anticipated BHP: 5,324 Psig

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
 BOP schematic diagrams attached.

4. CASING PROGRAM:

| <u>HOLE SIZE</u> | <u>INTERVAL</u> | <u>LENGTH</u> | <u>SIZE</u> | <u>WEIGHT</u> | <u>GRADE</u> | <u>THREAD</u> | <u>RATING FACTOR</u> | | |
|-------------------------|------------------------|----------------------|--------------------|----------------------|---------------------|----------------------|-----------------------------|---------------------|-----------------------|
| | | | | | | | <u>COLLAPSE</u> | <u>BURST</u> | <u>TENSILE</u> |
| 12-1/4" | 0' – 2,300'KB± | 2,300'± | 9-5/8" | 36.0# | J-55 | ST&C | 2020 Psi | 3520 Psi | 394,000# |
| 7-7/8" | 2,300'± – TD | 9,750'± | 4-1/2" | 11.6# | N-80 | LT&C | 6350 Psi | 7780 Psi | 223,000# |

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (50± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

EIGHT POINT PLAN
CHAPITA WELLS UNIT 674-6
SE/NW, SEC. 6, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD. Cased hole evaluation logs will be run in lieu of open hole logs.

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

EIGHT POINT PLAN
CHAPITA WELLS UNIT 674-6
SE/NW, SEC. 6, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Production Hole Procedure (2300'± - TD)

Lead: 410 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: 765 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: Number of sacks is based on gauged hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

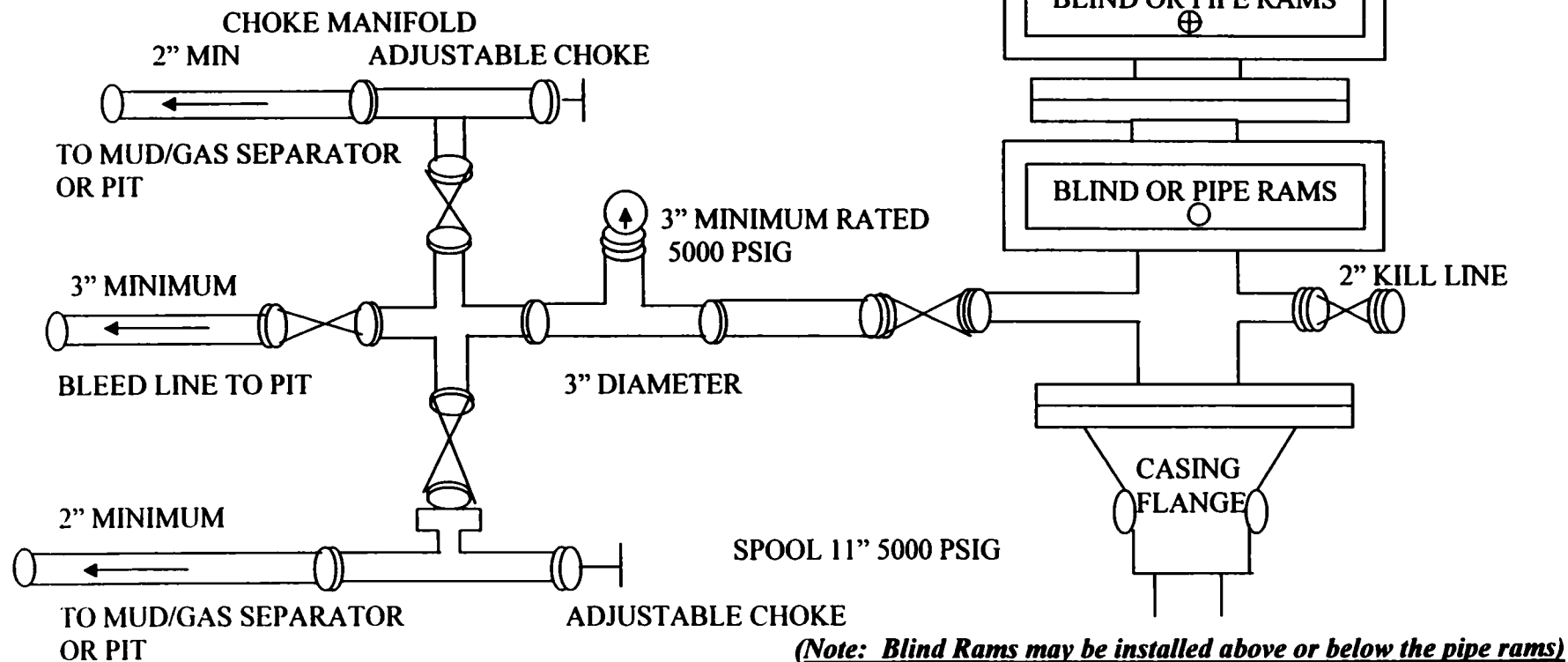
(Attachment: BOP Schematic Diagram)

5000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 5000 PSIG RATED.
CASING FLANGE IS 11" 5000 PSIG RATED.
BOPE 11" 5000 PSIG

TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 5000 psig.
3. Annular preventor will be tested to 50% of working pressure, 2500 psig.
4. Casing will be tested to 0.22 psi/ft. or 2500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 5000 psig BOPE specifications.



**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

| | |
|---------------------|--|
| Company/Operator: | <u>EOG Resources, Inc.</u> |
| Well Name & Number: | <u>Chapita Wells Unit 674-6</u> |
| Lease Number: | <u>U-01304</u> |
| Location: | <u>1760' FNL & 1995' FWL, SE/NW, Sec. 6, T9S, R23E, S.L.B.&M., Uintah County, Utah</u> |
| Surface Ownership: | <u>Federal</u> |

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 19.15 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.2 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

A. Producing wells - 9*

(*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. A 4" OD steel above ground natural gas pipeline will be laid approximately 1574' from proposed location to a point in the SW/NE of Section 6, T9S, R23E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands within the Chapita Wells Unit, thus a Right-of-Way grant will not be required.
3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the Southwest side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities

required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 millimeter plastic liner.

8. ANCILLARY FACILITIES

- A. No airstrips or camps are planned for this well.

9. WELLSITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

D. The approved seed mixture for the pond is:

Four-Wing Salt Bush – 3 pounds per acre
Indian Rice Grass – 2 pounds per acre
Needle and Thread Grass – 2 pounds per acre
Hi-Crest Crested Wheat Grass – 1 pound per acre.

The approved seed mixture for the Location is:

Gardner Salt Bush – 4 pounds per acre
Shad Scale – 3 pounds per acre
Hi-Crest Crested Wheat Grass – 2 pounds per acre

The reserve pit will be located on the Southeast side of the location. The flare pit will be located downwind of the prevailing wind direction on the South side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil West of Corners B and 5. The stockpiled location topsoil will be stored between Corners #1 & #2. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the

approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the East.

Corner #6 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

12. OTHER INFORMATION

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

X No construction or drilling activities shall be conducted between May 15 and June 20 due to Antelope Stipulations.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Telephone: (435)789-4120
Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 674-6 Well, located in the SE/NW of Section 6, T9S, R23E, Uintah County, Utah; Lease #U-01304;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

8-29-2005
Date


Agent

EOG RESOURCES, INC.

CWU #674-6

SECTION 6, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; PROCEED IN A SOUTHEASTERLY THEN NORTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE CWU #666-6 TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 50.15 MILES.

EOG RESOURCES, INC.

CWU #674-6

LOCATED IN UTAH COUNTY, UTAH

SECTION 6, T9S, R23E, S.1.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



E&L

Uintah Engineering & Land Surveying

88 South 200 East Vernal, Utah 84078
435-789-1011 uelsa@uelsinc.com

LOCATION PHOTOS

04 14 05
MONTH DAY YEAR

PHOTO

TAKEN BY: GS.

DRAWN BY: S.L.

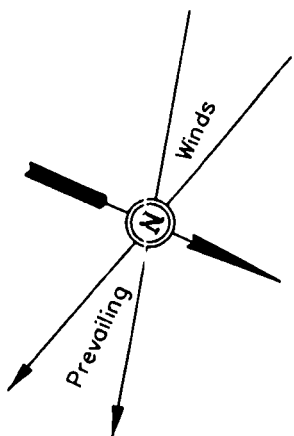
REVISED: 00-00-00

EOG RESOURCES, INC.

FIGURE #1

LOCATION LAYOUT FOR

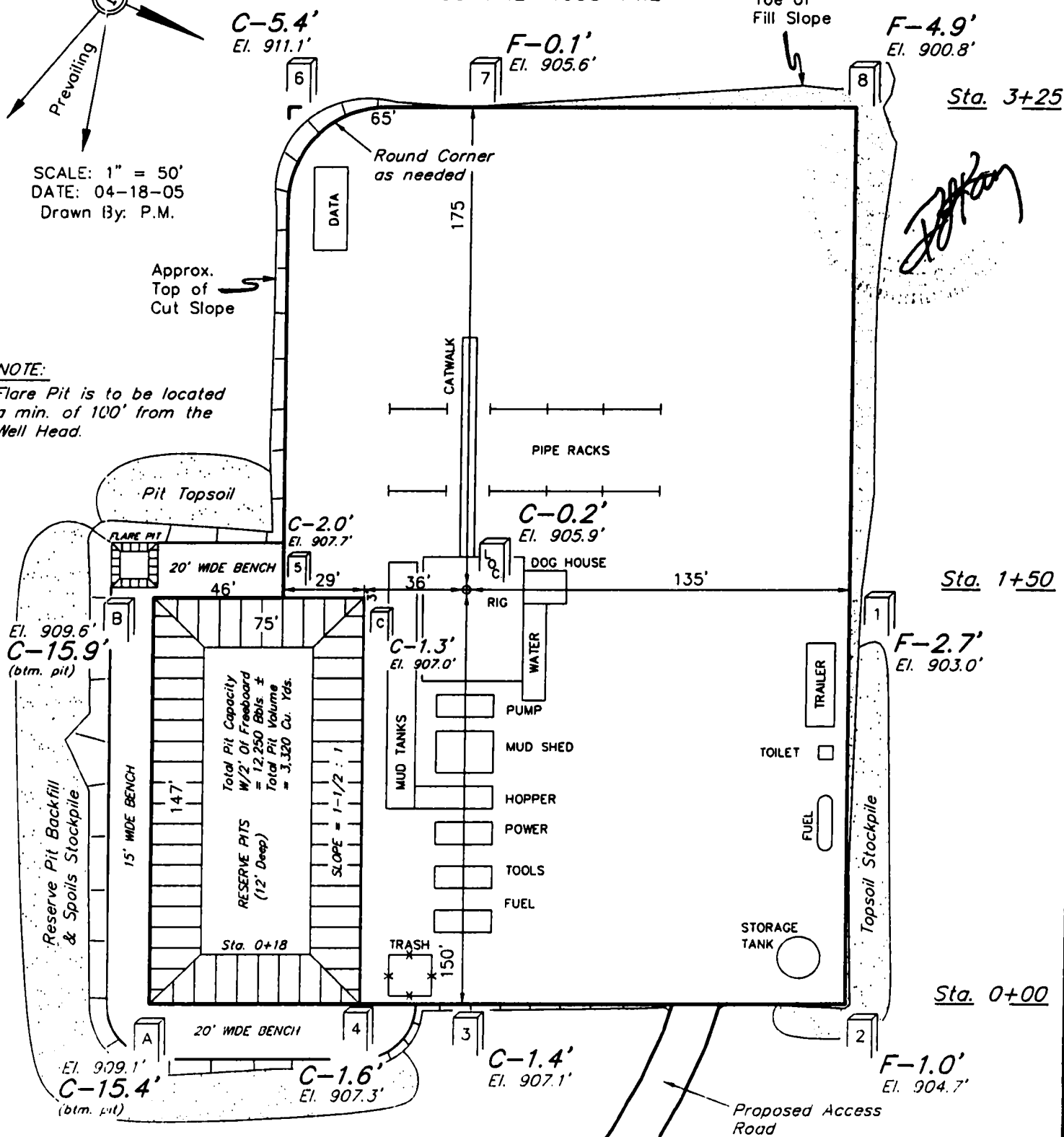
CWU #674-6
SECTION 6, T9S, R23E, S.L.B.&M.
1760' FNL 1995' FWL



SCALE: 1" = 50'
DATE: 04-18-05
Drawn By: P.M.

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 4905.9'

FINISHED GRADE ELEV. AT LOC. STAKE = 4905.7'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

EOG RESOURCES, INC.

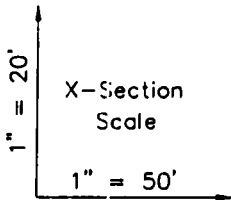
FIGURE #2

TYPICAL CROSS SECTIONS FOR

CWU #674-6

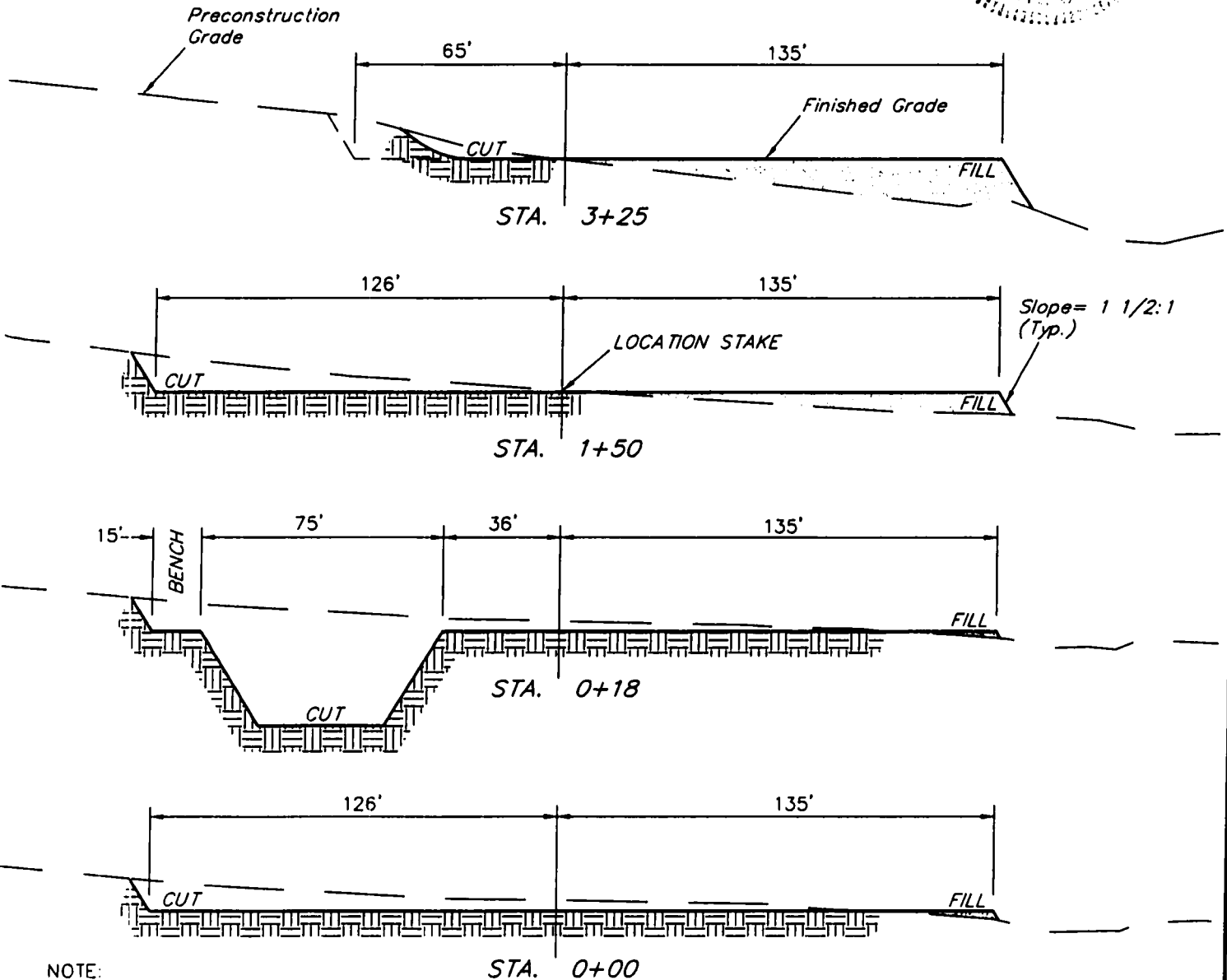
SECTION 6, T9S, R23E, S.L.B.&M.

1760' FNL 1995' FWL



DATE: 04-18-05

Drawn By: P.M.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT

(6") Topsoil Stripping = 1,580 Cu. Yds.

Remaining Location = 5,490 Cu. Yds.

TOTAL CUT = 7,070 CU.YDS.

FILL = 3,830 CU.YDS.

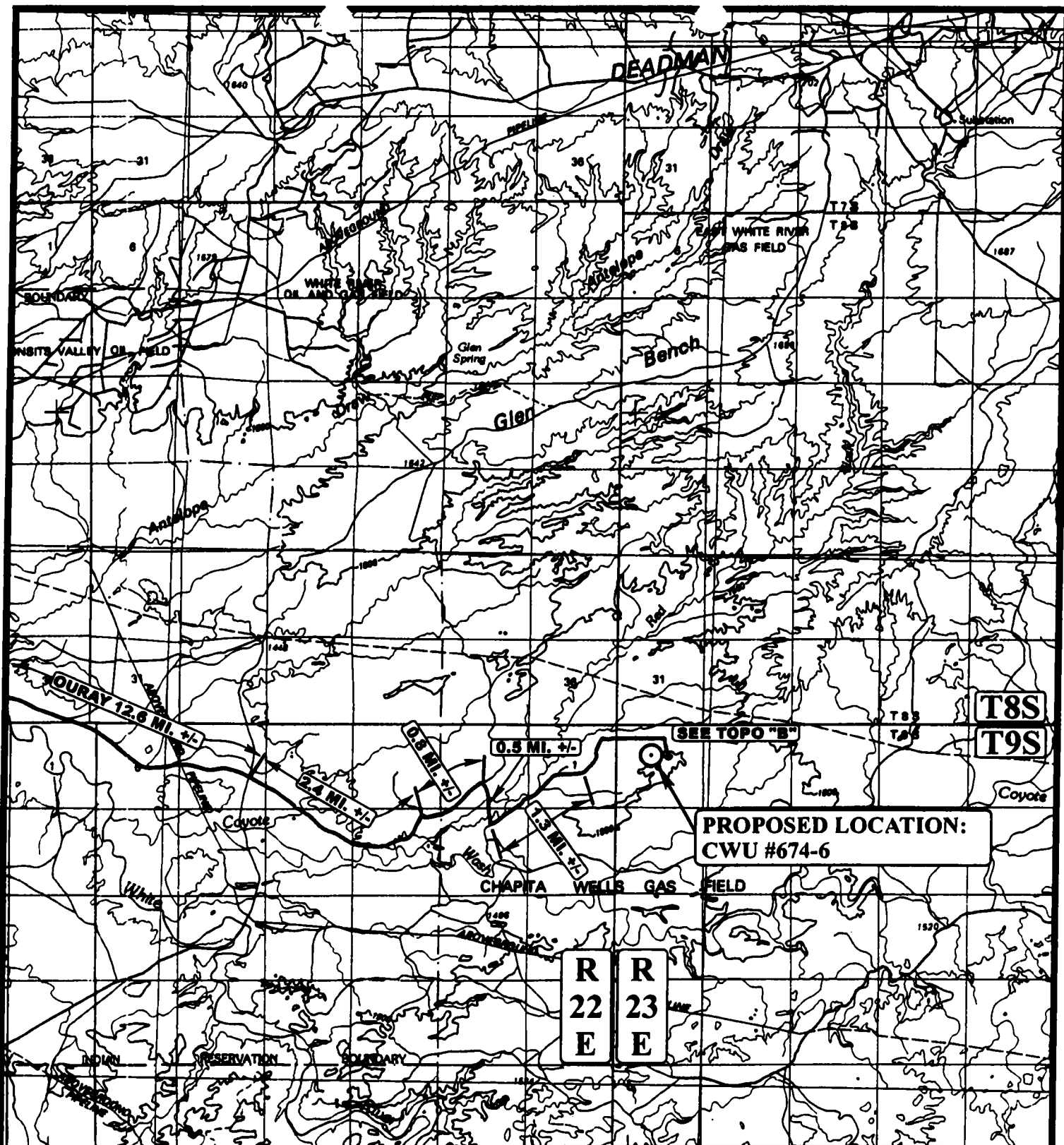
EXCESS MATERIAL = 3,240 Cu. Yds.

Topsoil & Pit Backfill = 3,240 Cu. Yds.
(1/2 Pit Vol.)

EXCESS UNBALANCE = 0 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



LEGEND:

⊙ PROPOSED LOCATION



EOG RESOURCES, INC.

CWU #674-6

SECTION 6, T9S, R23E, S.1.B.&M.

1760' FNL 1995' FWL



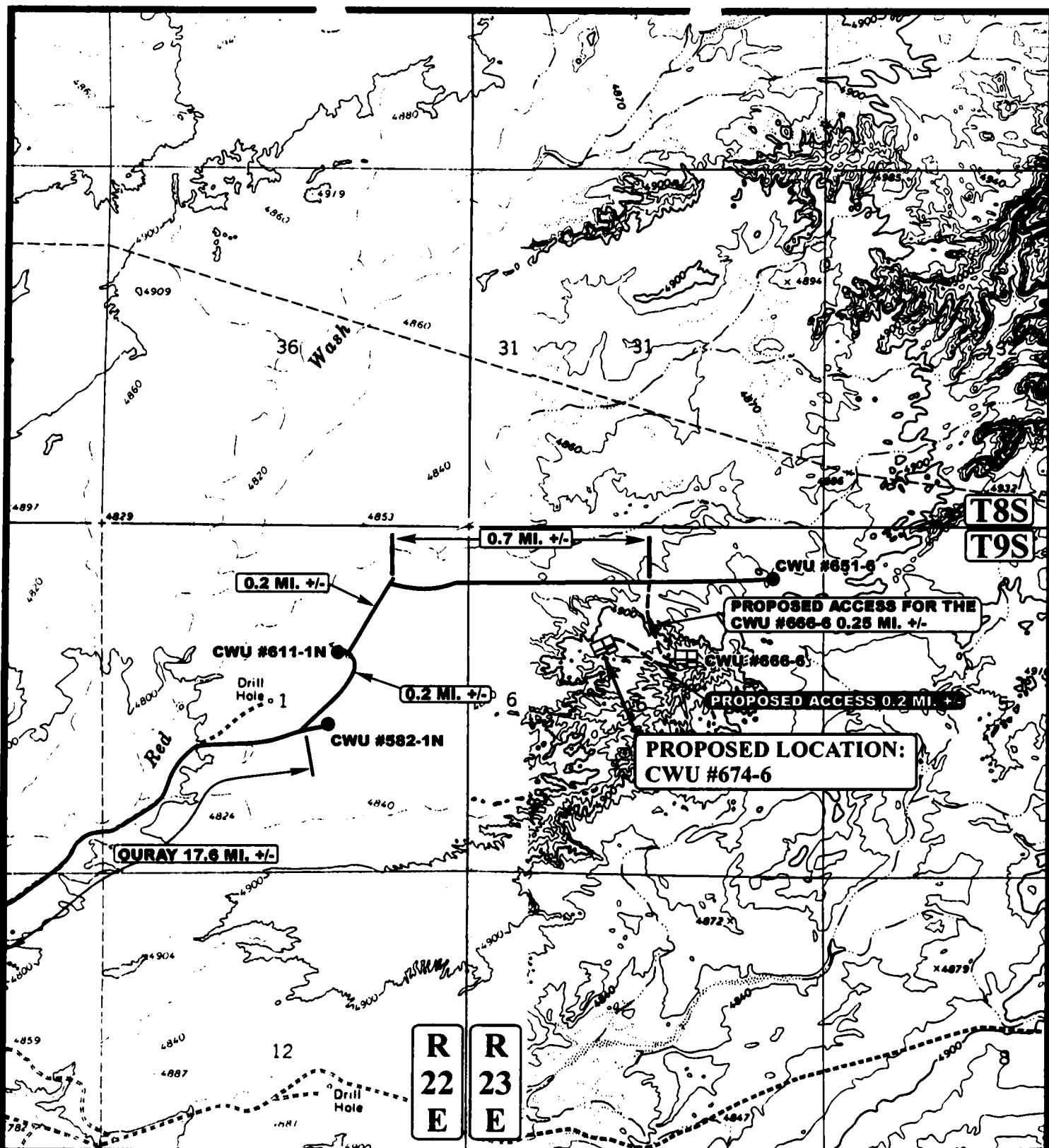
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
 MAP

04 14 05
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: S.L. REVISED: 00-00-00





LEGEND:

 EXISTING ROAD
 PROPOSED ACCESS ROAD

UELS

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EOG RESOURCES, INC.

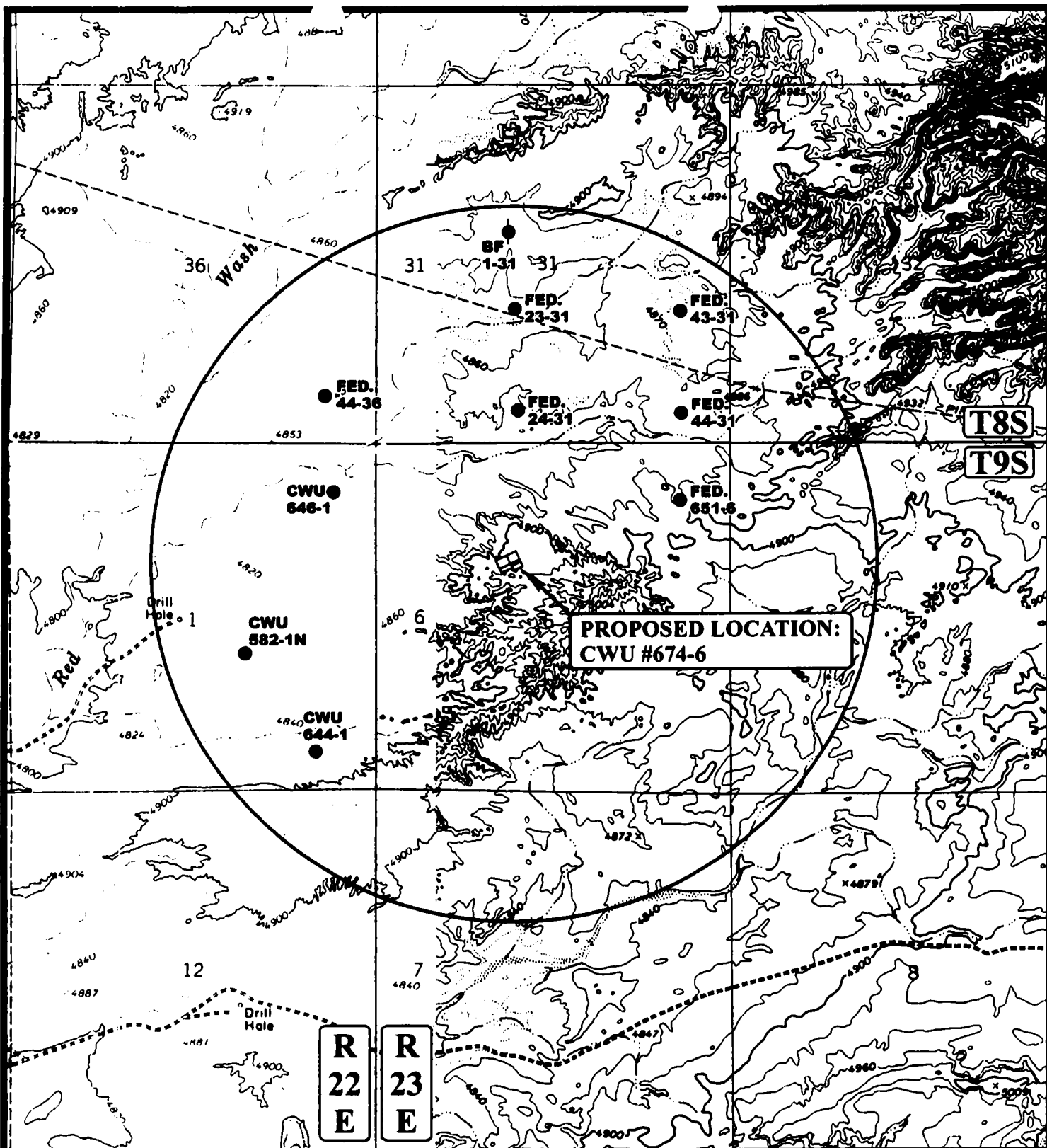
CWU #674-6
SECTION 6, T9S, R23E, S.L.B.&M.
1760' FNL 1995' FWL

**TOPOGRAPHIC
MAP**

| | | |
|-----------|-----------|-----------|
| 04 | 14 | 05 |
| MONTH | DAY | YEAR |

B

| | | |
|-------------------|----------------|-------------------|
| SCALE: 1" = 2000' | DRAWN BY: S.L. | REVISED: 00-00-00 |
|-------------------|----------------|-------------------|



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

EOG RESOURCES, INC.

CWU #674-6
SECTION 6, T9S, R23E, S.L.B.&M.
1760' FNL 1995' FWL

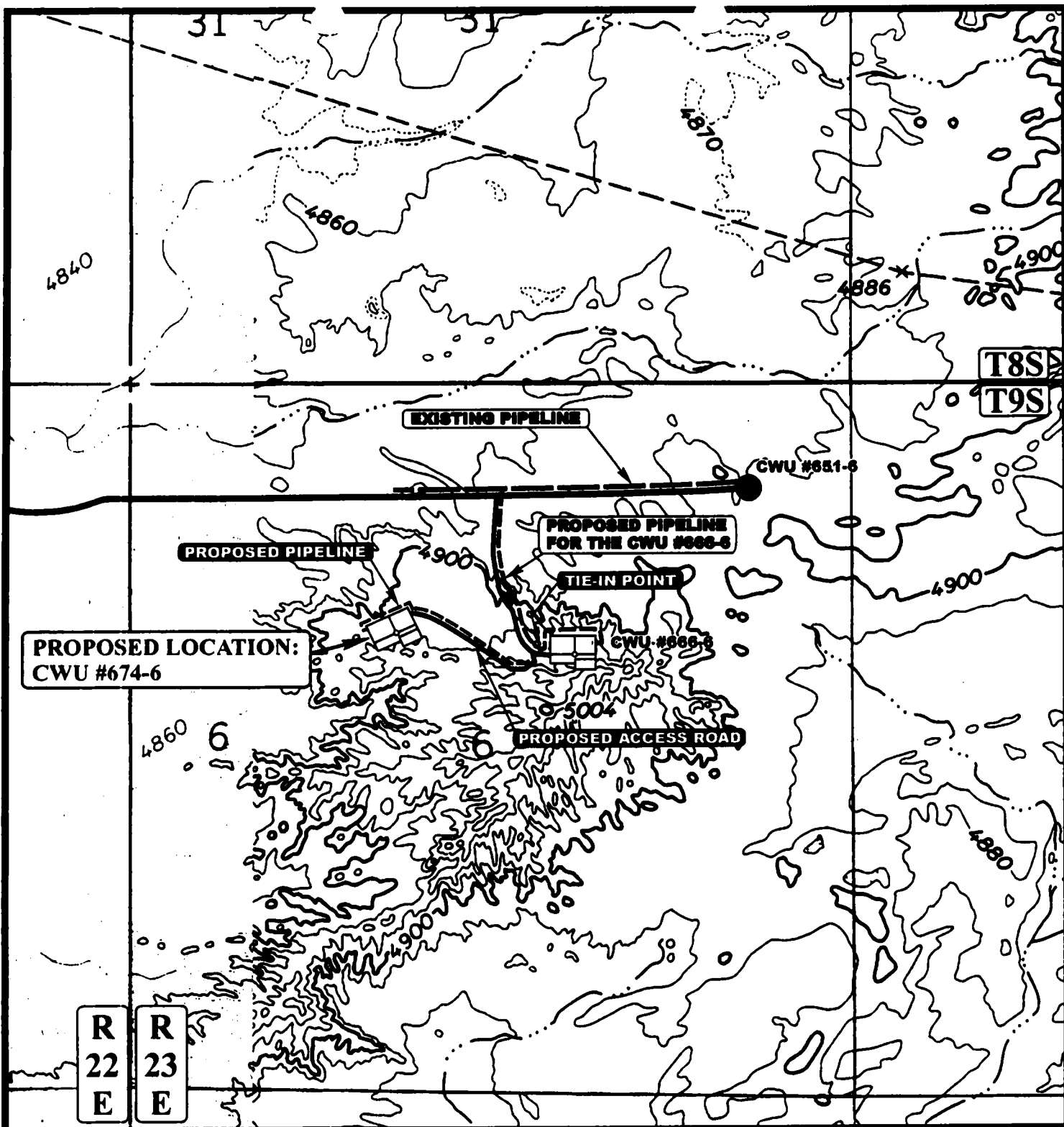


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC MAP
04 14 05
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: S.L. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1574' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)

EOG RESOURCES, INC.

CWU #674-6
SECTION 6, T9S, R23E, S.L.B.&M.
1760' FNL 1995' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

04 14 05
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: S.L. REVISED: 00-00-00

**D
TOPO**

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/31/2005

API NO. ASSIGNED: 43-047-37083

WELL NAME: CWU 674-6

OPERATOR: EOG RESOURCES INC (N9550)

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SENW 06 090S 230E

SURFACE: 1760 FNL 1995 FWL

BOTTOM: 1760 FNL 1995 FWL

UINTAH

NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-01304

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

| Tech Review | Initials | Date |
|-------------|----------|------|
| Engineering | | |
| Geology | | |
| Surface | | |

LATITUDE: 40.06718

LONGITUDE: -109.3711

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM-2308)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 49-1501)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

 R649-2-3.
Unit CHAPITA WELLS
 R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
 R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 179-8
Eff Date: 8-10-1999
Siting: Suspends General Siting
 R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Federal Approval

BADLANDS UNIT

T8S R23E

T9S R23E

CAUSE: 179-8 / 8-10-1999
CHAPITA WELLS UNIT

NATURAL BUTTES FIELD

OPERATOR: EOG RESOURCES INC (N9550)

SEC: 6 T. 9S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

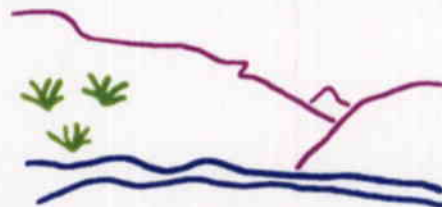
CAUSE: 179-8 / 8-10-1999

Field Status
 ABANDONED
 ACTIVE
 COMBINED
 INACTIVE
 PROPOSED
 STORAGE
 TERMINATED

Unit Status
 EXPLORATORY
 GAS STORAGE
 NF PP OIL
 NF SECONDARY
 PENDING
 PI OIL
 PP GAS
 PP GEOTHERML
 PP OIL
 SECONDARY
 TERMINATED

Wells Status

GAS INJECTION
 GAS STORAGE
 LOCATION ABANDONED
 NEW LOCATION
 PLUGGED & ABANDONED
 PRODUCING GAS
 PRODUCING OIL
 SHUT-IN GAS
 SHUT-IN OIL
 TEMP. ABANDONED
 TEST WELL
 WATER INJECTION
 WATER SUPPLY
 WATER DISPOSAL
 DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
 DATE: 01-SEPTEMBER-2005

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

September 1, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2005 Plan of Development Chapita Wells Unit Uintah
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Chapita Wells Unit, Uintah County, Utah.

| API # | WELL NAME | LOCATION |
|-------|-----------|----------|
|-------|-----------|----------|

(Proposed PZ Price River)

| | | |
|--------------------------|------------------------------------|--|
| 43-047-37083 CWU 674-6 | Sec 6 T09S R23E 1760 FNL 1995 FWL | |
| 43-047-37054 CWU 1098-29 | Sec 29 T09S R23E 2069 FNL 1910 FEL | |
| 43-047-37055 CWU 968-34 | Sec 34 T09S R23E 0848 FSL 0744 FEL | |

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

September 1, 2005

EOG Resources, Inc.
P O Box 1815
Vernal, UT 84078

Re: Chapita Wells Unit 674-6 Well, 1760' FNL, 1995' FWL, SE NW,
Sec. 6, T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37083.

Sincerely,

K. Michael Herbert

For **Gil Hunt**
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 674-6
API Number: 43-047-37083
Lease: U-01304

Location: SE NW **Sec.** 6 **T.** 9 South **R.** 23 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES AUG 30 2005
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

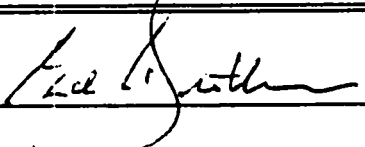
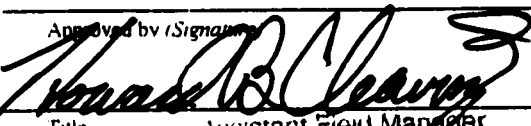
APPLICATION FOR PERMIT TO DRILL OR REENTER

| | | |
|--|---|---|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease Serial No. U-01304 |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone | | 6. If Indian, Allottee or Tribe Name |
| 2. Name of Operator EOG RESOURCES, INC. | | 7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT |
| 3a. Address P.O. BOX 1815 VERNAL, UT 84078 | | 8. Lease Name and Well No. CHAPITA WELLS UNIT 674-6 |
| 3b. Phone No. (Include area code) (435)789-0790 | | 9. API Well No. 4304737083 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1760' FNL, 1995' FWL SE/NW At proposed prod Zone | | 10. Field and Pool, or Exploratory NATURAL BUTTES |
| 14. Distance in miles and direction from nearest town or post office* 19.15 MILES SOUTHEAST OF OURAY, UTAH | | 11. Sec., T., R., M., or Blk. and Survey or Area SEC. 6, T9S, R23E, S.L.B.&M. |
| 15. Distance from proposed* location to nearest property or lease line, ft. 1760' (Also to nearest drig. Unit line, if any) | 16. No. of Acres in lease 2451 | 12. County or Parish UINTAH |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C | 19. Proposed Depth 9750' | 13. State UTAH |
| 20. BLM/BIA Bond No. on file NM-2308 | 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4905.7 FEET GRADED GROUND | 17. Spacing Unit dedicated to this well |
| 22. Approximate date work will start* UPON APPROVAL | 23. Estimated duration 45 DAYS | |
| 24. Attachments | | |

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

| | | |
|---|--|--------------------------------|
| 25. Signature  | Name (Printed/Typed) Ed Trotter | Date August 29, 2005 |
| Title Agent | | |
| Accepted by the Utah Division of Oil, Gas and Mining | | |
| Approved by (Signature)  | Name (Printed/Typed) FOR RECORD ONLY | Date 12/22/2005 |
| Title Assistant Field Manager Mineral Resources | Office | |

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

NOTICE OF APPLICANT

CONDITIONS OF APPROVAL
**RECEIVED
JAN 09 2006**

DIV. OF OIL, GAS & MINING



**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE**

170 South 500 East VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

| | | | |
|-----------------|----------------------------|-------------------|--------------------------------|
| Company: | EOG Resources, Inc. | Location: | SENW, Sec. 6, T9S, R23E |
| Well No: | CWU 674-6 | Lease No: | UTU-01304 |
| API No: | 43-047-37083 | Agreement: | N/A |

| | | | | | |
|--|-----------------------|----------------|-----------------------|--------------|---------------------|
| Petroleum Engineer: | Matt Baker | Office: | 435-781-4490 | Cell: | 435-828-4470 |
| Petroleum Engineer: | Michael Lee | Office: | 435-781-4432 | Cell: | 435-828-7875 |
| Supervisory Petroleum Technician: | Jamie Sparger | Office: | 435-781-4502 | Cell: | 435-828-3913 |
| Environmental Scientist: | Paul Buhler | Office: | 435-781-4475 | Cell: | 435-828-4029 |
| Environmental Scientist: | Karl Wright | Office: | 435-781-4484 | | |
| Natural Resource Specialist: | Holly Villa | Office: | 435-781-4404 | | |
| Natural Resource Specialist: | Melissa Hawk | Office: | 435-781-4476 | | |
| After hours contact number: | (435) 781-4513 | FAX: | (435) 781-4410 | | |

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations.

NOTIFICATION REQUIREMENTS

| | |
|---|---|
| Location Construction (Notify Paul Buhler) | - Forty-Eight (48) hours prior to construction of location and access roads. |
| Location Completion (Notify Paul Buhler) | - Prior to moving on the drilling rig. |
| Spud Notice (Notify PE) | - Twenty-Four (24) hours prior to spudding the well. |
| Casing String & Cementing (Notify SPT) | - Twenty-Four (24) hours prior to running casing and cementing) all casing strings. |
| BOP & Related Equipment Tests (Notify SPT) | - Twenty-Four (24) hours prior to initiating pressure tests. |
| First Production Notice (Notify PE) | - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.
- As a Best Management Practice (BMP), the pipeline will be buried within the identified construction width of an access corridor that contains the access road and pipelines. Exceptions to this BMP may be granted where laterally extensive, hard indurated bedrock, such as sandstone, is at or within 2 feet of the surface; and, soil types with a poor history of successful rehabilitation).
- Prior to abandonment of a buried pipeline, the operator will obtain authorization from the appropriate regulatory agency. BLM will determine whether the pipeline and all above ground pipeline facilities shall be removed and unsalvageable materials disposed of at approved sites or abandoned in place. Reshaping and revegetation of disturbed land areas will be completed where necessary.
- During interim management of the surface, use the following seed mix:
9 lbs of Hycrest Crested Wheatgrass & 3 lbs of Kochia prostrate.
- This location will require paleontological monitoring of the access road where it intersects the known fossil locality 42UN1798v. Also, a paleontological monitoring will be needed for the well location.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil and Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- Variance granted for O.O.#2 III E.1.: Blooie line can be <100'

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
- Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.
- All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil and Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.
- BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil and Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
- No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended

for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.

- Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR ' 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil and Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.
- In accordance with 43 CFR ' 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report should be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Worland Field Office.
- **Please submit an electronic copy of all logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF other).**
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the

API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.

- A schematic facilities diagram as required by Onshore Oil and Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil and Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil and Gas Order No. 3.
- This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and / or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil and Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method should be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for: proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

| | | |
|--|--|--|
| 1 TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 5 LEASE DESIGNATION AND SERIAL NUMBER U-01304 |
| 2 NAME OF OPERATOR EOG RESOURCES, INC. | | 6 IF INDIAN, ALLOTTEE OR TRIBE NAME |
| 3 ADDRESS OF OPERATOR 1060 East Highway 40 VERNAL UT 84078 | | 7 UNIT or CA AGREEMENT NAME CHAPITA WELLS UNIT |
| 4 LOCATION OF WELL FOOTAGES AT SURFACE 1760 FNL 1995 FWL 40.067169 LAT 109.371764 LON | | 8 WELL NAME and NUMBER CHAPITA WELLS UNIT 674-6 |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN SENW 6 9S 23E S.L.B. & M | | 9 API NUMBER 43-047-37083 |
| STATE UTAH | | 10 FIELD AND POOL, OR WILDCAT NATURAL BUTTES |

| 11 CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | |
|---|---|---|--|
| TYPE OF SUBMISSION | TYPE OF ACTION | | |
| <input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion _____ | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER <u>APD EXTENSION REQUEST</u> |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

12 DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-07-06
By: [Signature]

10/21/06
BN

| | |
|--|--------------------------------|
| NAME (PLEASE PRINT) Kaylene R. Gardner | TITLE Sr. Regulatory Assistant |
| SIGNATURE [Signature] | DATE 8/24/2006 |

(This space for State use only)

RECEIVED
AUG 29 2006

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-37083
Well Name: CHAPITA WELLS UNIT 674-6
Location: 1760 FNL 1995 FWL (SENW), SECTION 6, T9S, R23E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 9/1/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

8/24/2006

Date

Title: SR. REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

AUG 29 2006

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EOG Resources, Inc.

3a. Address
1060 East Highway 40 Vernal, Ut 84078

3b. Phone No. (include area code)
435-781-9111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1760' FNL & 1995' FWL (SE/NW)
Sec. 6-T9S-R23E 40.067169 LAT 109.371764 LON**

FORM APPROVED
OMB No. 1003-0047
Expires: March 9, 2001
RECEIVED

5. Lease Serial No.
U-01304

6. If Indian, Allottee or Tribe Name

NOV 21 2006

7. If Unit or CA/Agreement, Name and/or No.
Chapita Wells Unit

8. Well Name and No.
Chapita Wells Unit 674-6

9. API Well No.
43-047-37083

10. Field and Pool, or Exploratory Area
Natural Buttes

11. County or Parish, State
Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other APD Renewal |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests the APD for the referenced well originally approved 12/22/2005 be extended for one year.

RECEIVED
DEC 21 2006

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Kaylene R. Gardner

Title **Sr. Regulatory Assistant**

Signature

Date

11/20/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

James F. Ashley

Petroleum Engineer

Title

Date

DEC 18 2006

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

CONDITIONS OF APPROVAL ATTACHED

UDOGM

CONDITIONS OF APPROVAL

EOG Resources, Inc.

Notice of Intent APD Extension

Lease: U-01304
Well: CWU 674-6
Location: SENW Sec 6-T9S-R23E

An extension for the referenced APD is granted with the following conditions:

1. The extension and APD shall expire on 12/22/07.
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Jim Ashley of this office at (435) 781-4470.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well ☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-262-2812

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1,760' FNL & 1,995' FWL (SENW)
Sec. 6-T9S-R23E 40.067169 LAT 109.371764 LON**

5. Lease Serial No.
U-01304

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
Chapita Wells Unit

8. Well Name and No.
Chapita Wells Unit 674-6

9. API Well No.
43-047-37083

10. Field and Pool, or Exploratory Area
Natural Buttes/Wasatch

11. County or Parish, State
Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|--|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| | <input checked="" type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc requests authorization to change the TD for the referenced well,

From: 9750'

To: 7700'

A revised drilling plan is attached.

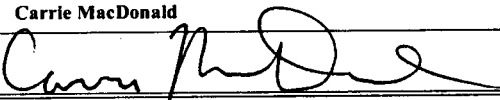
Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Carrie MacDonald

Title **Operations Clerk**

Signature



Date

07/16/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

JUL 19 2007

DIV. OF OIL, GAS & MINING

EIGHT POINT PLAN

CHAPITA WELLS UNIT 674-06 SE/NW, SEC. 6, T9S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

| FORMATION | TVD-RKB (ft) | Objective | Lithology | |
|----------------|--------------|-----------|-----------|-----|
| Green River FM | 2,038 | | | |
| Wasatch | 5,042 | Primary | Sandstone | Gas |
| Chapita Wells | 5,651 | Primary | Sandstone | Gas |
| Buck Canyon | 6,278 | Primary | Sandstone | Gas |
| North Horn | 6,970 | Primary | Sandstone | Gas |
| Island | 7,490 | Primary | Sandstone | Gas |
| | | | | |
| | | | | |
| | | | | |
| TD | 6,570 | | | |

Estimated TD: 7,700' or 200'± below Island top

Anticipated BHP: 3,805 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

| CASING | Hole Size | Length | Size | WEIGHT | Grade | Thread | Rating Collapse | Factor Burst | Tensile |
|------------|-----------|------------------------|-------|--------|-------|--------|-----------------|--------------|----------|
| Conductor | 17 ½" | 0 – 45' | 13 ⅝" | 48.0# | H-40 | STC | 770 PSI | 1730 PSI | 322,000# |
| Surface | 12 ¼" | Surface– 2,300' KB± | 9-⅝" | 36.0# | J-55 | STC | 2020 PSI | 3520 Psi | 394,000# |
| Production | 7-7/8" | Surface – TD | 4-½" | 11.6# | N-80 | LTC | 6350 PSI | 7780 Psi | 223,000# |
| | | | | | | | | | |

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

EIGHT POINT PLAN
CHAPITA WELLS UNIT 674-06
SE/NW, SEC. 6, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.0 – 9.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Defloculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

EIGHT POINT PLAN

CHAPITA WELLS UNIT 674-06 **SE/NW, SEC. 6, T9S, R23E, S.L.B.&M.** **UINTAH COUNTY, UTAH**

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.
Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: 207 sks Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: 156 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: 555 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

EIGHT POINT PLAN
CHAPITA WELLS UNIT 674-06
SE/NW, SEC. 6, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

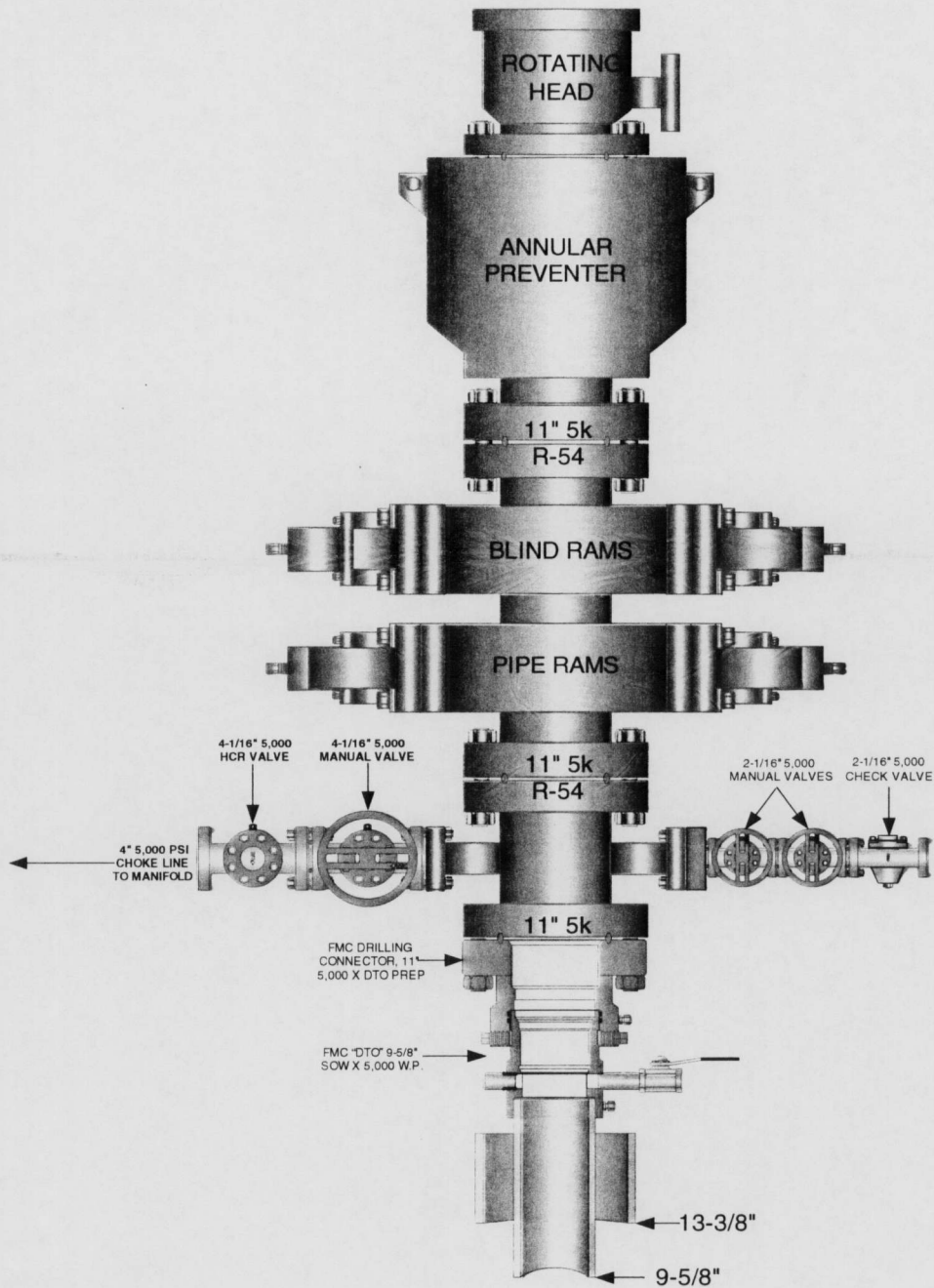
12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

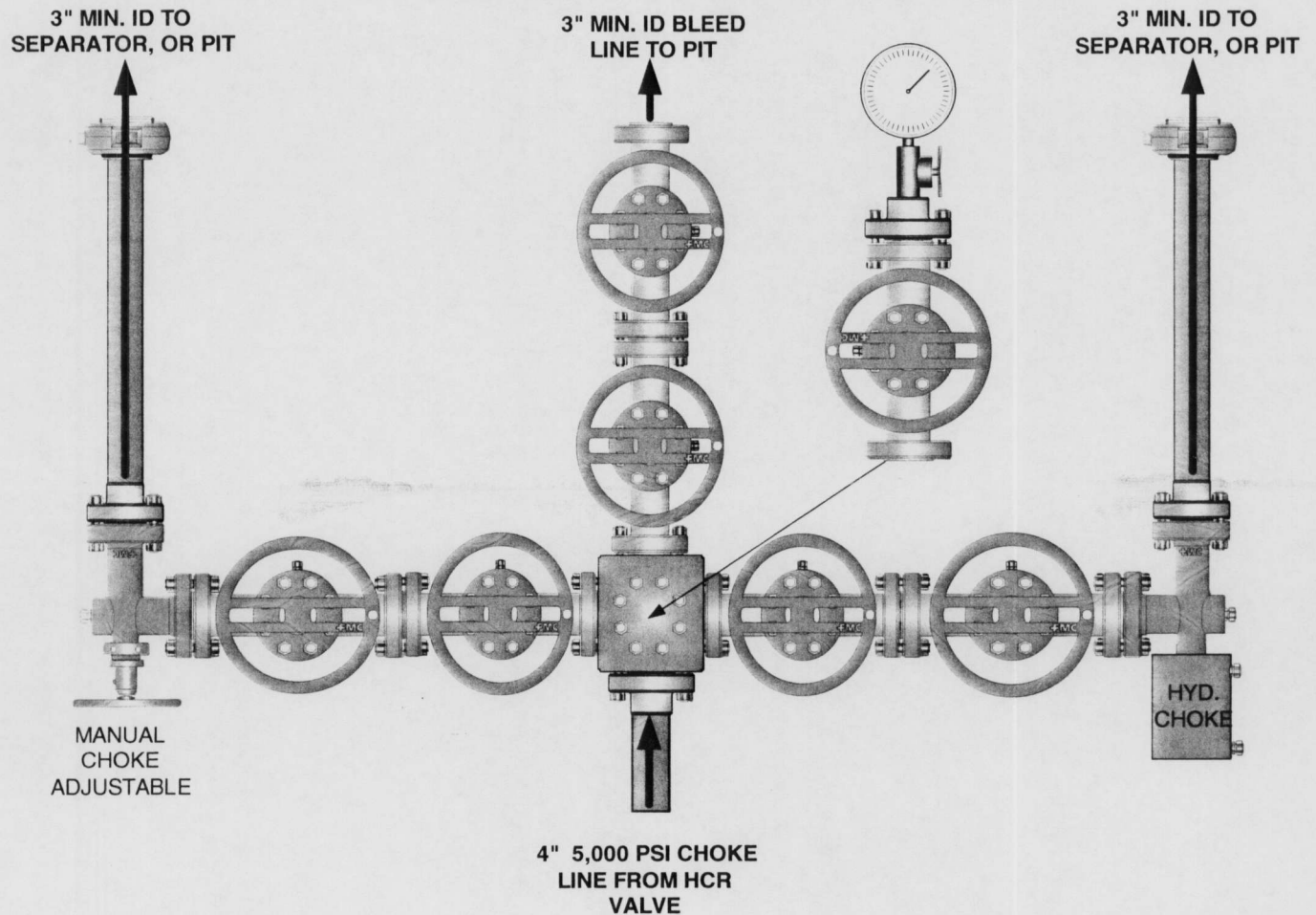
EOG RESOURCES 11" 5,000 PSI W.P. BOP
CONFIGURATION

PAGE 1 OF 2



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION
W/ 5,000 PSI WP VALVES

PAGE 2 OF 2



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

| | | |
|---|--|--|
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 5. LEASE DESIGNATION AND SERIAL NUMBER: U-01304 |
| 2. NAME OF OPERATOR: EOG RESOURCES, INC. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY VERNAL STATE UT ZIP 84078 | | 7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1760 FNL 1995 FWL 40.067169 LAT 109.371764 LON QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENW 6 9S 23E S.L.B. & M | | 8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 674-6 |
| | | 9. API NUMBER: 43-047-37083 |
| | | 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES |
| | | COUNTY: UINTAH |
| | | STATE: UTAH |

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|--|---|---|---|
| <input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____ | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION REQUEST</u> |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-11-07
By: [Signature]

| | |
|---|--|
| NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u> | TITLE <u>Lead Regulatory Assistant</u> |
| SIGNATURE <u>[Signature]</u> | DATE <u>9/6/2007</u> |

(This space for State use only)

9-13-07
RM

RECEIVED
SEP 11 2007

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-37083
Well Name: CHAPITA WELLS UNIT 674-6
Location: 1760 FNL 1995 FWL (SENW), SECTION 6, T9S, R23E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 9/1/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

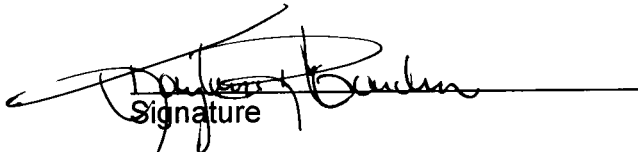
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

9/10/2007

Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

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SEP 11 2007

DIV. OF OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG Resources, Inc

Well Name: CWU 674-6

API No: 43-047-37083 Lease Type: Federal

Section 06 Township 09S Range 23E County Uintah

Drilling Contractor Craig's Roustabout Services Rig # Rathole

SPUDDED:

Date 10-18-07

Time 3:30 PM

How Dry

Drilling will Commence: _____

Reported by Les

Telephone # 435-828-0646

Date 10-19-07 Signed RM

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
UTU01304

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNI

8. Well Name and No.
CHAPITA WELLS UNIT 674-6

9. API Well No.
43-047-37083

10. Field and Pool, or Exploratory
NATURAL BUTTES/WASATCH

11. County or Parish, and State
UINTAH COUNTY COUNTY, UT

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EOG RESOURCES, INC.

Contact: CARRIE E MACDONALD
E-Mail: carrie_macdonald@eogresources.com

3a. Address
600 17TH STREET, SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-262-2812
Fx: 303-262-2813

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 6 T9S R23E SENW 1760FNL 1995FWL
40.06717 N Lat, 109.37176 W Lon

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Well Spud |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well spud on 10/18/2007.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #56843 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) CARRIE E MACDONALD

Title OPERATIONS CLERK

Signature (Electronic Submission)

Date 10/22/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title _____ Date _____
Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED**

RECEIVED

OCT 24 2007

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES, INC.
Address: 600 17th Street
city Denver
state CO zip 80202

Operator Account Number: N 9550

Phone Number: (303) 262-2812

Well 1

| API Number | Well Name | QQ | Sec | Twp | Rng | County |
|--------------------------|-----------------------|-------------------|------------|----------------------------------|-----|--------|
| 43-047-39694 | EAST CHAPITA 14-23Z | SWSE | 23 | 9S | 23E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | Entity Assignment Effective Date | | |
| A | 99999 | 16439 | 10/10/2007 | 10/31/07 | | |
| Comments: PRRV = MVRD | | | | | | |

Well 2

| API Number | Well Name | QQ | Sec | Twp | Rng | County |
|--------------------------|--------------------------|-------------------|------------|----------------------------------|-----|--------|
| 43-047-37083 | CHAPITA WELLS UNIT 674-6 | SESW | 6 | 9S | 23E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | Entity Assignment Effective Date | | |
| A | 99999 | 16440 | 10/18/2007 | 10/31/07 | | |
| Comments: PRRV = MVRD | | | | | | |

Well 3

| API Number | Well Name | QQ | Sec | Twp | Rng | County |
|---------------------------|--------------------------|-------------------|------------|----------------------------------|-----|--------|
| 43-047-36240 | CHAPITA WELLS UNIT 984-9 | NESW | 9 | 9S | 22E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | Entity Assignment Effective Date | | |
| 1B | 99999 | 13650 | 10/19/2007 | 10/31/07 | | |
| Comments: BLKHK = MVRD | | | | | | |

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Carrie MacDonald

Name (Please Print)

Signature
Operations Clerk

10/23/2007

Title

Date

RECEIVED

OCT 24 2007

DIV. OF OIL GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

| | | |
|--|--|--|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. UTU01304 |
| 2. Name of Operator EOG RESOURCES, INC. | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 600 17TH STREET, SUITE 1000N DENVER, CO 80202 | | 7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNI |
| 3b. Phone No. (include area code) Ph: 303-262-2812 Fx: 303-262-2813 | | 8. Well Name and No. CHAPITA WELLS UNIT 674-6 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 6 T9S R23E SENW 1760FNL 1995FWL 40.06717 N Lat, 109.37176 W Lon | | 9. API Well No. 43-047-37083 |
| | | 10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH |
| | | 11. County or Parish, and State UINTAH COUNTY COUNTY, UT |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input checked="" type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

1. Natural Buttes Unit 21-20B SWD
2. Chapita Wells Unit 550-30N SWD
3. Ace Disposal
4. RN Industries

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

| | |
|---|------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #56842 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal | |
| Name (Printed/Typed) CARRIE E MACDONALD | Title OPERATIONS CLERK |
| Signature (Electronic Submission) | Date 10/22/2007 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|-------------|--------------|
| Approved By _____ | Title _____ | Date _____ |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | | Office _____ |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED**

RECEIVED
OCT 24 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.5. Lease Serial No.
UTU01304

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.7. If Unit or CA/Agreement, Name and/or No.
CHAPITA WELLS UNI

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.
CHAPITA WELLS UNIT 674-062. Name of Operator
EOG RESOURCES INCContact: MARY A. MAESTAS
E-Mail: mary_maestas@eogresources.com9. API Well No.
43-047-370833a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 802023b. Phone No. (include area code)
Ph: 303-824-552610. Field and Pool, or Exploratory
NATURAL BUTTES/WASATCH

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 6 T9S R23E SENW 1760FNL 1995FWL
40.06717 N Lat, 109.37176 W Lon11. County or Parish, and State
UINTAH COUNTY, UT**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Production Start-up |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 1/16/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

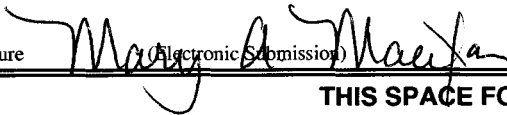
14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #58126 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 01/18/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED****RECEIVED**
JAN 22 2008

DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 01-17-2008

| | | | | | |
|----------------------|---|------------------|--------------|----------------------|------------|
| Well Name | CWU 674-06 | Well Type | DEVG | Division | DENVER |
| Field | CHAPITA WELLS UNIT | API # | 43-047-37083 | Well Class | 1SA |
| County, State | UINTAH, UT | Spud Date | 11-05-2007 | Class Date | 01-16-2008 |
| Tax Credit | N | TVD / MD | 7,700/ 7,700 | Property # | 056051 |
| Water Depth | 0 | Last CSG | 2.375 | Shoe TVD / MD | 0/ 0 |
| KB / GL Elev | 4,918/ 4,906 | | | | |
| Location | Section 6, T9S, R23E, SENW, 1760 FNL & 1995 FWL | | | | |

| | | | | | |
|-----------------|--------------------|--------------------|------------------|--------------|--------|
| Event No | 1.0 | Description | DRILL & COMPLETE | | |
| Operator | EOG RESOURCES, INC | WI % | 54.86 | NRI % | 46.657 |

| | | | | | |
|------------------------------|--------------------|-------------------|---------------|------------------------|------------------|
| AFE No | 303258 | AFE Total | 1,281,800 | DHC / CWC | 652,700/ 629,100 |
| Rig Contr | ENSIGN | Rig Name | ENSIGN #81 | Start Date | 09-14-2005 |
| 09-14-2005 | Reported By | ED TROTTER | | | |
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$0 | Completion | \$0 | Well Total | \$0 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: LOCATION DATA

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
|-------|-----|-----|----------------------|

| | | | |
|-------|-------|------|-------------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION DATA |
| | | | 1760' FNL & 1995' FWL (SE/NW) |
| | | | SECTION 6, T9S, R23E |
| | | | UINTAH COUNTY, UTAH |

LAT 40.067169, LONG 109.371764 (NAD 83)
LAT 40.067206, LONG 109.371083 (NAD 27)

RIG: ENSIGN #83
OBJECTIVE: 7700' TD, MESAVERDE
DW/GAS
CHAPITA WELLS DEEP PROSPECT
DD&A: NATURAL BUTTES
NATURAL BUTTES FIELD

LEASE: U-01304
ELEVATION: 4905.9' NAT GL, 4905.7' PREP GL(DUE TO ROUNDING PREP WILL BE 4906'), 4918' KB (12')

EOG WI 54.8604%, NRI 46.657031%

| | | |
|-------------------|--------------------|-------------|
| 10-09-2007 | Reported By | TERRY CSERE |
|-------------------|--------------------|-------------|

| | | | | | |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| DailyCosts: Drilling | \$38,000 | Completion | \$0 | Daily Total | \$38,000 |
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | Well Total | \$38,000 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | LOCATION STARTED. |

10-10-2007 Reported By TERRY CSERE

| | | | | | |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| DailyCosts: Drilling | \$38,000 | Completion | \$0 | Daily Total | \$38,000 |
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | Well Total | \$38,000 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION 10% COMPLETE. |

10-11-2007 Reported By TERRY CSERE

| | | | | | |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | Well Total | \$38,000 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION 15% COMPLETE. |

10-15-2007 Reported By TERRY CSERE

| | | | | | |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | Well Total | \$38,000 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | SHOOTING TODAY. |

10-16-2007 Reported By TERRY CSERE

| | | | | | |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| DailyCosts: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | Well Total | \$38,000 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | PUSHING OUT PIT. |

10-17-2007 Reported By TERRY CSERE

| | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|----------|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | Well Total | \$38,000 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | PUSHING OUT PIT. |

10-18-2007 Reported By TERRY CSERE

| | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|----------|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | Well Total | \$38,000 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | PUSHING OUT PIT. |

10-19-2007 Reported By TERRY CSERE

| | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|----------|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | Well Total | \$38,000 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | PUSHING OUT PIT. |

10-20-2007 Reported By KAYLENE GARDNER

| | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|----------|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | Well Total | \$38,000 |
| MD | 40 | TVD | 40 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: SPUD NOTIFICATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | CRAIG'S ROUSTABOUT SERVICE SPUD A 20" HOLE ON 10/18/2007 @ 3:30 PM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 10/18/2007 @ 2:40 PM. |

10-22-2007 Reported By KAYLENE GARDNER

| | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|----------|
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$38,000 | Completion | \$0 | Well Total | \$38,000 |
| MD | 40 | TVD | 40 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: BUILD LOCATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|-----------------------|
| 06:00 | 06:00 | 24.0 | LOCATION IS COMPLETE. |

11-01-2007 Reported By JERRY BARNES

Daily Costs: Drilling \$195,547 Completion \$0 Daily Total \$195,547

Cum Costs: Drilling \$233,547 Completion \$0 Well Total \$233,547

MD 2,528 TVD 2,528 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU CRAIG'S AIR RIG #2 ON 10/21/2007. DRILLED 12-1/4" HOLE TO 2560' GL. ENCOUNTERED WATER @ 2060'. RAN 59 JTS (2516.40') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH DAVIS/LYNCH GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2528' KB. RDMO AIR RIG.

MIRU PRO PETRO CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 180 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 450 SX (92.1 BBLS) OF PREMIUM CEMENT W/2 % CACL2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX.

DISPLACED CEMENT W/191.2 BBLS FRESH WATER. BUMPED PLUG W/900# @ 10:08 PM, 10/24/2007. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO CEMENT RETURNS.

TOP JOB # 1: MIXED & PUMPED 50 SX (10.2 BBLS) OF PREMIUM CEMENT W/2% CACL2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS.

TOP JOB # 2: MIXED & PUMPED 175 SX (35.8 BBLS) OF PREMIUM CEMENT W/2% CACL2, & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO PRO PETRO CEMENTERS.

NOTE: 9 5/8 X 12 1/4 ANNULUS VOLUME PLUS SHOE JT VOLUME EQUALS 702.1 SX CEMENT. HOLE FILLED & STOOD FULL W/675 SX CEMENT.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

NO SURVEY AT THIS TIME.

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 10/23/2007 @ 11:00 AM.

11-03-2007 Reported By CARLOS ARRIETA

Daily Costs: Drilling \$22,801 Completion \$0 Daily Total \$22,801

Cum Costs: Drilling \$256,348 Completion \$0 Well Total \$256,348

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDMORT

Start End Hrs Activity Description

06:00 18:00 12.0 RIGGING DOWN & MUVE, L/DN DERRICK,
18:00 06:00 12.0 RIG DOWN, CHECK MUD PUMPS, CHANGE LINERS & VALVES
RIG DOWN 85%, RIG MOVED 20%, 2 TRUCKS, 2 FORKLIFT
2 MILES MOVE FROM CWU 711-7 TO CWU 674-6

TRUCK WILL BE ON LOCATION @ 07:00 AM
 BOILER 12 HRS.
 NO ACCIDENTS REPORTED
 FULL CREW
 SAFETY MEETING: RIG DOWN, WORK ON PUMPS
 FUEL ON HAND: 2000 GALS.

| | | | | | | | | | | | |
|------------------------------|--------------------|-------------------|-----|--------------------|------------------------|-------------|---|-----------|-----|-------------|-----|
| 11-04-2007 | Reported By | CARLOS ARRIETA | | | | | | | | | |
| Daily Costs: Drilling | \$21,204 | Completion | \$0 | Daily Total | \$21,204 | | | | | | |
| Cum Costs: Drilling | \$277,552 | Completion | \$0 | Well Total | \$277,552 | | | | | | |
| MD | 0 | TVD | 0 | Progress | 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: TEST BOPE

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 18:00 | 12.0 | RIG MOVED & RIGGING UP, RAISE DERRICK, NOTIFIED BLM VERNAL F/TEST BOP, MR. JAMIE SPARGER |
| 18:00 | 03:30 | 9.5 | CONTINUE RIGING UP, FLOOR, PUMPS, MUD TANKS RESET CLOCK BACK ONE HR FOR DST. |
| 02:30 | 03:30 | 1.0 | ADD ONE HOUR FOR DST CHANGE. |
| 03:30 | 06:00 | 2.5 | TEST BOP'S WITH B&C QUICK, TEST KELLY UPPER & LOWER VALVES, PIPE RAMS, HCR, SAFETY VALVE, DART VALVE,ALL TO 250 PSI LOW & 5.000 PSI HIGH. ANNULAR 250 PSI LOW 2500 HIGH,SURFACE CSG.1500 PS *****RIG ON DAYWORK AT 03:30 ON 11/04/2007***** BOILER 12 HRS. NO ACCIDENTS REPORTED FULL CREW CHECK SAFETY CROWN OK SAFETY MEETING: RIGGING UP FUEL ON HAND: 1842 GALS. USED 158 GALS. MUD LOGGING: DAYS |

| | | | | | | | | | | | |
|------------------------------|--------------------|-------------------|-------|--------------------|------------------------|-------------|---|-----------|-----|-------------|------|
| 11-05-2007 | Reported By | CARLOS ARRIETA | | | | | | | | | |
| Daily Costs: Drilling | \$50,522 | Completion | \$0 | Daily Total | \$50,522 | | | | | | |
| Cum Costs: Drilling | \$328,074 | Completion | \$0 | Well Total | \$328,074 | | | | | | |
| MD | 2,514 | TVD | 2,514 | Progress | 0 | Days | 0 | MW | 8.4 | Visc | 26.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: RIG REPAIR / HYDROMATIC

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 07:30 | 1.5 | B&C QUICK TEST,& TEST BOPPIPE RAMS,BLIND RAMS,ALL KILL LINE VALVES,CHOCK LINE & MANIFOLD,HCR,KELLY UPPER & LOWER KELLY VALVES,SAFETY VALVE,DART VALVE,ALL TO 250 PSI LOW & 5000 PSI HIGH, ANNULAR 250 PSI LOW 2500 HIGH,SURFACE CSG.1500 PSI OK |
| 07:30 | 08:30 | 1.0 | SAFETY MEETING W/ WEATHERFORD & RIG CREWS, RIG UP LAY DOWN MACHINE. INSTALL WEAR BUSHING. |
| 08:30 | 14:30 | 6.0 | PICK UP BHA & DP, TAG @ 2455',RIG DOWN WEATHERFORD,KELLY UP,INSTALL ROT RUBB., CIRC. |
| 14:30 | 16:30 | 2.0 | DRILL CEMENT & FLOAT COLLAR F/ 2455' TO 2514', F. COLLAR @ 2485', MUD WT. 8.6 PPG, 28 VIS |
| 16:30 | 02:30 | 10.0 | WAIT ON HYDROMATIC BRAKE, THE HYDROMATIC WAS TAKE TO MACHINE SHOP TO REPAIR |

02:30 06:00 3.5 HYDROMATIC ARRIVED ON LOCATION @ 02:30AM, WORKING ON SETTING BACK ON DRAWWORKS
 BOILER 12 HRS.
 NO ACCIDENTS REPORTED
 FULL CREW
 CHECK SAFETY CROWN OK
 SAFETY MEETING: P/UP BHA, V-DOOR SAFETY
 FUEL ON HAND: 5462 GALS. USED 780 GALS.
 MUD LOGGING: LELAND CHAPMAN 1 DAYS

11-06-2007 **Reported By** CARLOS ARRIETA

| | | | | | |
|------------------------------|-----------|-------------------|-----|--------------------|-----------|
| Daily Costs: Drilling | \$27,157 | Completion | \$0 | Daily Total | \$27,157 |
| Cum Costs: Drilling | \$355,231 | Completion | \$0 | Well Total | \$355,231 |

MD 3,590 **TVD** 3,590 **Progress** 1,060 **Days** 1 **MW** 8.5 **Visc** 27.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 17:00 | 11.0 | RIG REPAIR WORKING ON HYDROMATIC, WAIT ON MECHANIC, MECHANIC ON LOCATION @ 11:30 |
| 17:00 | 17:30 | 0.5 | DRILL CEMENT & SHOE, SHOE @ 2529' |
| 17:30 | 18:00 | 0.5 | DRILL ROTATE 2530' - 2576' (46') WOB 10K, 40 RPM, 466 GALS. MUD MOTOR 74 RPM |
| 18:00 | 18:30 | 0.5 | RUN FIT @ 2530' 180 PSI, 10.1 PPG MUD WT. |
| 18:30 | 19:00 | 0.5 | DRILL ROTATE 2576 - 2640' (64') WOB 15K 40 RPM 466 GPM |
| 19:00 | 19:30 | 0.5 | WIRE LINE SURVEY @ 3535' 1.51 DEG. |
| 19:30 | 06:00 | 10.5 | DRILL ROTATE 2640' - 3590' (950') WOB 15/18K, 60 RPM, 466 GPM, MUD MOTOR 74 RPM, MUD WT. 8.7 PPG, VIS. 28 |

BOILER 12 HRS.
 NO ACCIDENTS REPORTED
 FULL CREW
 CHECK SAFETY CROWN-O-MATIC OK
 SAFETY MEETING: PULLING SLIPS - LADDERS
 FUEL ON HAND: 4743 GALS. USED 719 GALS.
 FORMATION TOPS: MAHOGANY OIL SHALE @ 2714'
 LITHOLOGY: 30% SANDSTONE - 50% SHALE - 20% LIMESTONE
 BG GAS 1000 U/ 2200 U - TRIP GAS 0 U - CONN. GAS 1400 U/ 8840 U - H F GAS 6172 U @ 3020'
 3 FT. FLARE
 MUD LOGGING: LELAND CHAPMAN 2 DAYS

06:00 18.0 SPUD 7 7/8" HOLE AT 17:30 HRS, 11/5/07.

11-07-2007 **Reported By** CARLOS ARRIETA

| | | | | | |
|------------------------------|-----------|-------------------|-----|--------------------|-----------|
| Daily Costs: Drilling | \$64,943 | Completion | \$0 | Daily Total | \$64,943 |
| Cum Costs: Drilling | \$420,175 | Completion | \$0 | Well Total | \$420,175 |

MD 4,910 **TVD** 4,910 **Progress** 1,320 **Days** 2 **MW** 9.0 **Visc** 28.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
|-------|-----|-----|----------------------|

06:00 07:30 1.5 DRILL ROTATE 3590' – 3721' (131') WOB 15/18K, 60 RPM, 466 GPM, MUD MOTOR 74 RPM, MUD WT. 8.7 PPG, VIS. 28

07:30 08:00 0.5 RUN WIRE LINE SURVEY @ 3646' 1.10 DEG.

08:00 15:00 7.0 DRILL ROTATE 3721' – 4294' (573') WOB 15/18K, 60 RPM, 466 GPM, MUD MOTOR 74 RPM, MUD WT. 8.7 PPG, VIS. 28

15:00 15:30 0.5 SERVICE RIG, CK COWN-O-MATIC

15:30 04:00 12.5 DRILL ROTATE 4294' – 4868' (574') WOB 15/18K, 60 RPM, 466 GPM, MUD MOTOR 74 RPM, MUD WT. 8.7 PPG, VIS. 28

04:00 04:30 0.5 RUN WIRE LINE SURVEY @ 4784' 1.78 DEG.

04:30 06:00 1.5 DRILL ROTATE 4868' – 4910' (42') WOB 15/18K, 60 RPM, 466 GPM, MUD MOTOR 74 RPM, MUD WT. 9.7 PPG, VIS. 29

BOILER 16 HRS.

NO ACCIDENTS REPORTED

FULL CREW

CHECK SAFETY CROWN-O-MATIC OK

SAFETY MEETING: BOP PIPE RAMS & SCRUBBING

FUEL ON HAND: 3706 GALS. USED 1037 GALS.

FORMATION TOPS: UTELAND BUTTE @ 4842'

LITHOLOGY: 40% SANDSTONE – 50% SHALE – 10% LIMESTONE

BG GAS 70 U/ 1500 U – TRIP GAS 0 U – CONN. GAS 290 U/ 2400 U – H F GAS 1949 U @ 3736'

NO FLARE

MUD LOGGING: LELAND CHAPMAN 3 DAYS

11-08-2007 Reported By CARLOS ARRIETA

| | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|-----------|
| Daily Costs: Drilling | \$50,013 | Completion | \$0 | Daily Total | \$50,013 |
| Cum Costs: Drilling | \$470,188 | Completion | \$0 | Well Total | \$470,188 |
| MD | 5,442 | TVD | 5,442 | Progress | 532 |
| | | | | Days | 3 |
| | | | | MW | 9.6 |
| | | | | Visc | 30.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: DRILLING AHEAD

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 13:00 | 7.0 | DRILL ROTATE 4910' – 5029' (119') WOB 18/20K, 60 RPM, 466 GPM, MUD MOTOR 74 RPM, MUD WT. 9.7 PPG, VIS. 30 |
| 13:00 | 13:30 | 0.5 | SERVICE RIG |
| 13:30 | 06:00 | 16.5 | DRILL ROTATE 5029' – 5442' (413') WOB 18/20K, 45/60 RPM, 466 GPM, MUD MOTOR 74 RPM, MUD WT. 9.7 PPG, VIS. 32 |
| | | | BOILER 12 HRS. |
| | | | NO ACCIDENTS REPORTED |
| | | | FULL CREW |
| | | | CHECK SAFETY CROWN-O-MATIC OK |
| | | | SAFETY MEETING: PERSONAL RESPONSIBILITIES & MOUSE HOLE & DRILL PIPE |
| | | | FUEL ON HAND: 5462 GALS. USED 1738 GALS. |
| | | | FORMATION TOPS: WASATCH @ 5048' |
| | | | LITHOLOGY: 30% SANDSTONE – 40% SHALE – 30% RED SHALE |
| | | | BG GAS 40 U/ 135 U – TRIP GAS 0 U – CONN. GAS 245 U/ 710 U – H F GAS 576 U @ 5003' |
| | | | NO FLARE |
| | | | MUD LOGGING: LELAND CHAPMAN 4 DAYS |

11-09-2007 Reported By CARLOS ARRIETA

| | | | | | |
|------------------------------|-------------------|-------------------|------------------------|--------------------|-----------|
| Daily Costs: Drilling | \$27,527 | Completion | \$0 | Daily Total | \$27,527 |
| Cum Costs: Drilling | \$497,716 | Completion | \$0 | Well Total | \$497,716 |
| MD | 6,047 | TVD | 6,047 | Progress | 605 |
| Days | 4 | MW | 9.9 | Visc | 32.0 |
| Formation : | PBTD : 0.0 | Perf : | PKR Depth : 0.0 | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 13:00 | 7.0 | DRILL ROTATE 5442' – 5632' (190') WOB 18/20K, 45/60 RPM, 466 GPM, MUD MOTOR 74 RPM, MUD WT. 9.7 PPG, VIS. 32 |
| 13:00 | 13:30 | 0.5 | SERVICE RIG, CK. CROWN-O-MATIC |
| 13:30 | 06:00 | 16.5 | DRILL ROTATE 5632' – 6047' (415') WOB 22/24K, 45/60 RPM, 466 GPM, MUD MOTOR 74 RPM, MUD WT. 9.9 PPG, VIS. 33 |
| | | | BOILER 12 HRS. |
| | | | NO ACCIDENTS REPORTED |
| | | | FULL CREW |
| | | | CHECK SAFETY CROWN-O-MATIC OK |
| | | | SAFETY MEETING: DOING THE RIGHT THING & STABING TUBULARS |
| | | | FUEL ON HAND: 4567 GALS. USED 895 GALS. |
| | | | FORMATION TOPS: CHAPITA WELLS @ 5647' |
| | | | LITHOLOGY: 40% SANDSTONE – 50% SHALE – 10% RED SHALE |
| | | | BG GAS 40 U/ 120 U – TRIP GAS 0 U – CONN. GAS 295 U/ 7102105 U – H F GAS 3840 U @ 5911' |
| | | | NO FLARE |
| | | | MUD LOGGING: LELAND CHAPMAN 5 DAYS |

11-10-2007 **Reported By** CARLOS ARRIETA

| | | | | | |
|------------------------------|-------------------|-------------------|------------------------|--------------------|-----------|
| Daily Costs: Drilling | \$41,118 | Completion | \$3,000 | Daily Total | \$44,118 |
| Cum Costs: Drilling | \$538,835 | Completion | \$3,000 | Well Total | \$541,835 |
| MD | 6,675 | TVD | 6,675 | Progress | 628 |
| Days | 5 | MW | 9.9 | Visc | 34.0 |
| Formation : | PBTD : 0.0 | Perf : | PKR Depth : 0.0 | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 12:00 | 6.0 | DRILL ROTATE 6047' – 6173' (126') WOB 22/24K, 45/60 RPM, 466 GPM, MUD MOTOR 74 RPM, MUD WT. 9.9 PPG, VIS. 33 |
| 12:00 | 12:30 | 0.5 | CIRCULATE PUMP PILL, FILL TRIPPING TANK |
| 12:30 | 16:30 | 4.0 | TRIP OUT HOLE F/BIT # 2, LAY DOWN 2 REAMERS |
| 16:30 | 17:00 | 0.5 | SERVICE RIG |
| 17:00 | 19:30 | 2.5 | PICK UP BIT # 2, HC 506 Z & TRIP IN HOLE, FILL PIPE |
| 19:30 | 20:30 | 1.0 | WASH & REAM 115' TO BTM. 25' FILL, LOST 150 BBLS. DRILL MUD ON TRIP |
| 20:30 | 06:00 | 9.5 | DRILL ROTATE 6173' – 6675' (502') WOB 15/20K, 45/60 RPM, 466 GPM, MUD MOTOR 74 RPM, MUD WT. 10.3 PPG, VIS. 38, LOST CIRC. 125 BBLS. DRILL MUD, PUMP LCM PILL OK |
| | | | 05:00 AM MUD WT 10.1 PPG, 31 VIS. TOTAL MUD LOST 275 BBLS. |
| | | | BOILER 12 HRS. |
| | | | NO ACCIDENTS REPORTED |
| | | | FULL CREW |
| | | | CHECK & SET CROWN-O-MATIC OK |
| | | | SAFETY MEETING: WORKING TONGS & CLEAN RIG |
| | | | FUEL ON HAND: 3875 GALS. USED 692 GALS. |

FORMATION TOPS: BUCK CANYON @ 6293'

LITHOLOGY: 50% SANDSTONE – 40% SHALE – 10% RED SHALE

BG GAS 50 U/ 200 U – TRIP GAS 5000 U @ 6174 – CONN. GAS 295 U/ 5517 U – H F GAS 623 U @ 6300'

NO FLARE

MUD LOGGING: LELAND CHAPMAN 6 DAYS

| | | | | | | | | | | | |
|--|-------|-------------|---|----------------|-------|---------|---|-----------------|------|-----------|------|
| 11-11-2007 | | Reported By | | CARLOS ARRIETA | | | | | | | |
| Daily Costs: Drilling | | \$31,634 | | Completion | | \$841 | | Daily Total | | \$32,475 | |
| Cum Costs: Drilling | | \$570,469 | | Completion | | \$3,841 | | Well Total | | \$574,310 | |
| MD | 7,680 | TVD | 7,680 | Progress | 1,005 | Days | 6 | MW | 10.0 | Visc | 37.0 |
| Formation : | | PBTD : 0.0 | | | | Perf : | | PKR Depth : 0.0 | | | |
| Activity at Report Time: DRILLING | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 16:30 | 10.5 | DRILL ROTATE 6675' – 7149' (474') WOB 15/20K, 45/60 RPM, 466 GPM, MUD MOTOR 74 RPM, MUD WT. 10.3 PPG, VIS. 38, | | | | | | | | |
| 16:30 | 17:00 | 0.5 | SERVICE RIG CK CROWN–O–MATIC | | | | | | | | |
| 17:00 | 06:00 | 13.0 | DRILL ROTATE 7149' – 7680' (531') WOB 15/20K, 45/60 RPM, 466 GPM, 1950 PSI, MUD MOTOR 74 RPM, MUD WT. 10.5 PPG, VIS. 33, LOST 35 BBLs OF DRILL MUD W/ DRILLING, PUMP LCM PILL | | | | | | | | |
| BOILER 12 HRS. | | | | | | | | | | | |
| NO ACCIDENTS REPORTED | | | | | | | | | | | |
| FULL CREW | | | | | | | | | | | |
| CHECK & SET CROWN–O–MATIC OK | | | | | | | | | | | |
| SAFETY MEETING: WORK ON PUMPS & STORAGE TANKS & DRUMS | | | | | | | | | | | |
| FUEL ON HAND: 2733 GALS. USED 1142 GALS. | | | | | | | | | | | |
| FORMATION TOPS: PRICE RIVER @ 7501' | | | | | | | | | | | |
| LITHOLOGY: 60% SANDSTONE – 30% SHALE – 10% SILTSTONE | | | | | | | | | | | |
| BG GAS 60 U/ 250 U – TRIP GAS 0 U @ 6174 – CONN. GAS 325 U/ 5375 U – H F GAS 215 U @ 7068' | | | | | | | | | | | |
| NO FLARE | | | | | | | | | | | |
| MUD LOGGING: LELAND CHAPMAN 7 DAYS | | | | | | | | | | | |

| | | | | | | | | | | | |
|---|-------|-------------|--|----------------|----|----------|---|-----------------|------|-----------|------|
| 11-12-2007 | | Reported By | | CARLOS ARRIETA | | | | | | | |
| Daily Costs: Drilling | | \$37,638 | | Completion | | \$84,773 | | Daily Total | | \$122,411 | |
| Cum Costs: Drilling | | \$608,108 | | Completion | | \$88,614 | | Well Total | | \$696,722 | |
| MD | 7,700 | TVD | 7,700 | Progress | 20 | Days | 7 | MW | 10.3 | Visc | 32.0 |
| Formation : | | PBTD : 0.0 | | | | Perf : | | PKR Depth : 0.0 | | | |
| Activity at Report Time: CEMENTING 4.5" CSG | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 07:00 | 1.0 | DRILL ROTATE 7680' – 7700' TD, (20') WOB 15/20K, 45/60 RPM, 466 GPM, 1950 PSI, MUD MOTOR 74 RPM, MUD WT. 10.5 PPG, VIS. 32. REACHED TD AT 07:00 HRS, 11/11/07. | | | | | | | | |
| 07:00 | 08:00 | 1.0 | CIRCULATE COND. HOLE 451 GPM, 2100 PSI, MUD WT 10.4, VIS 34 | | | | | | | | |
| 08:00 | 10:30 | 2.5 | SHORT TRIP 20 STDS. NOTIFIED BLM VERNAL MR. JAMIE SPARGER TO RUN CSG & CEMENT | | | | | | | | |
| 10:30 | 13:30 | 3.0 | CIRCULATE COND. HOLE. MIX GEL, LOST 38 BBLS. IN HOLE PUMP 2 LCM SWEEP, TOTAL LOST 38 BBLS. RIG UP WEATHERFORD L/DN MACHINE MUD WT. 10.4 PPG 40 VIS | | | | | | | | |
| 13:30 | 19:00 | 5.5 | PUMP 60 BBL 12.00 PPG PILL, LD/DRILL PIPE & BHA. BREAK KELLY ***** CSG POINT \$ 539,936 ***** | | | | | | | | |

19:00 21:00 2.0 PULL WEAR BUSHING, SAFETY MEETING W/ WEATHERFORD & RIG CREWS JSA ON RUN CASING. RIG UP TO RUN CASING.

21:00 03:30 6.5 RUN CASING 4 1/2", RAN 186 JTS + 1 PUP JT OF 11.6#, N80, LTC, AS FOLLOWS, FLOAT SHOE, 1JT.CSG. ,FLOAT COLLAR, 25 JTS. CSG.,1 MARJER JT., 47 JTS.CSG.,1 MARKER JT.114 JTS.CSG. PUP JT. HANGER ASS. FLOAT SHOE @ 7700' FLOAT COLLAR @ 7653', MARKER JT @ 6596', MARKER JT @ 4669'. RAN 25 CENTRALIZERS, 5 FT ABOVE SHOE, TOP OF JT #2 & EVERY 3 TH JT.

03:30 04:30 1.0 TAG @ 7700' LAY DOWN TAG JT. SPACE OUT, PICK UP DOT HANGER CIRC.W/ RIG PUMP.RIG DOWN WEATHERFORD LAY DOWN MACHINE, R/UP SCHLUMBERGER CEMENTING EQUIPMENT

04:30 05:00 0.5 CIRC. SAFETY MEETING W/ SCHLUMBERGER, LAND CASING HANGER W/# 70,000, TEST DOT W/ 5000 PSI. OK.

05:00 06:00 1.0 R/UP CEMENTING CREW & CEMENTING W/ SCHLUMBERGER, TEST LINES 5000 PSI, PUMPING 20 BBLS CHEM WASH & 20 BBLS WATER SPACER, LEAD CEMENT 300 SKS. 35/65 POZ G + ADDS MIX D020 10% EXTENDER,D167 .2% FLUID LOSS,D046 .2%, ANTIFOAM, D013 .5% RATERDER, D130 .125 LOST CIRC. D065 .5% DISPERSANT. YIELD 2.98 FT3/SK, H2O 18.2 GAL/SK@ 11.50 PPG

TAIL 920 SKS 50/50 POZ G + ADDS D020 2% EXTENDER,D046 .1% ANTIFOAM, D167 .2% FLUID LOSS, D065 .2% DISPERSANT, YIELD 1.29 FT3/SK , FRESH WATER 5.83 GAL/SK @ 14.1 PPG

TRUCK ON LOCATION @ 12:00 PM.

11-13-2007 Reported By CARLOS ARRIETA

| | | | | | |
|-----------------------|-----------|------------|-----------|-------------|-----------|
| Daily Costs: Drilling | \$32,622 | Completion | \$21,626 | Daily Total | \$54,248 |
| Cum Costs: Drilling | \$640,730 | Completion | \$110,240 | Well Total | \$750,970 |

| | | | | | | | | | | | |
|----|-------|-----|-------|----------|---|------|---|----|-----|------|-----|
| MD | 7,700 | TVD | 7,700 | Progress | 0 | Days | 8 | MW | 0.0 | Visc | 0.0 |
|----|-------|-----|-------|----------|---|------|---|----|-----|------|-----|

| | | | |
|-------------|------------|--------|-----------------|
| Formation : | PBTD : 0.0 | Perf : | PKR Depth : 0.0 |
|-------------|------------|--------|-----------------|

Activity at Report Time: RDRT/WO COMPLETION

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 07:00 | 1.0 | CEMENTING W/ SCHLUMBERGER, TEST LINES 5000 PSI, PUMPING 20 BBLS CHEM WASH & 20 BBLS WATER SPACER, LEAD CEMENT 300 SKS. 35/65 POZ G + ADDS MIX D020 10% EXTENDER,D167 .2% FLUID LOSS,D046 .2%, ANTIFOAM, D013 .5% RATERDER, D130 .125 LOST CIRC. D065 .5% DISPERSANT. YIELD 2.98 FT3/SK, H2O 18.2 GAL/SK@ 11.50 PPG |
| | | | TAIL 920 SKS 50/50 POZ G + ADDS D020 2% EXTENDER,D046 .1% ANTIFOAM, D167 .2% FLUID LOSS, D065 .2% DISPERSANT, YIELD 1.28 FT3/SK , FRESH WATER 5.83 GAL/SK @ 14.1 PPG |
| | | | DISP. TO FLOAT COLLER FRESH WATER. W/ 119 BBLS. AVG. DISP. RATE 5 BPM, GOOD RETURNS DROP PLUG @ 05:40 HRS. BUMPED PLUG @ 06:09 HRS. TO 2750 PSI.1000 PSI. OVER LIFT HOLD PRESS.F/1 MINS. 1.5 BBL. BACK, |
| 07:00 | 09:00 | 2.0 | CLEAN MUD TANKS & NIPPLE DOWN BOP. |
| | | | RIG MOVE TO CWU 718.1 = 4.5 MILES |
| | | | BOILER 12 HRS. |
| | | | NO ACCIDENTS REPORTED |
| | | | FULL CREW |
| | | | CHECK & SET CROWN-O-MATIC OK |
| | | | SAFETY MEETING: RUN CSG & CEMENT |
| | | | FUEL ON HAND: 4392 GALS |
| | | | FORMATION TOPS: PRICE RIVER @ 7501' |
| | | | MUD LOGGING: LELAND CHAPMAN: RELEASE 11/11/2007 @ 13:30 PM |
| 09:00 | | 15.0 | RELEASED RIG 11/12/07 @ 09:00 HRS |

CASING POINT COST \$637,823

| | | | | | | | | | | | |
|---|-------|---------------|--|------------|---|-----------|---|-----------------|-----|-----------|-----|
| 11-19-2007 | | Reported By | | SEARLE | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$41,590 | | Daily Total | | \$41,590 | |
| Cum Costs: Drilling | | \$640,730 | | Completion | | \$151,830 | | Well Total | | \$792,560 | |
| MD | 7,700 | TVD | 7,700 | Progress | 0 | Days | 9 | MW | 0.0 | Visc | 0.0 |
| Formation : | | PBTD : 7654.0 | | | | Perf : | | PKR Depth : 0.0 | | | |
| Activity at Report Time: PREP FOR FRACS | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 280'. EST CEMENT TOP @ 1350'. RD SCHLUMBERGER. | | | | | | | | |

| | | | | | | | | | | | |
|--|-------|---------------|--|--------------|---|-----------|----|-----------------|-----|-----------|-----|
| 11-22-2007 | | Reported By | | TORR MCCURDY | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$1,780 | | Daily Total | | \$1,780 | |
| Cum Costs: Drilling | | \$640,730 | | Completion | | \$153,610 | | Well Total | | \$794,340 | |
| MD | 7,700 | TVD | 7,700 | Progress | 0 | Days | 10 | MW | 0.0 | Visc | 0.0 |
| Formation : | | PBTD : 7654.0 | | | | Perf : | | PKR Depth : 0.0 | | | |
| Activity at Report Time: WO COMPLETION | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 15:00 | 16:00 | 1.0 | NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION | | | | | | | | |

| | | | | | | | | | | | |
|---|-------|---------------|--|------------|---|----------------------|---|-----------------|-----|-----------|-----|
| 11-27-2007 | | Reported By | | HISLOP | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$158,206 | | Daily Total | | \$158,206 | |
| Cum Costs: Drilling | | \$640,730 | | Completion | | \$311,816 | | Well Total | | \$952,547 | |
| MD | 7,700 | TVD | 7,700 | Progress | 0 | Days | 9 | MW | 0.0 | Visc | 0.0 |
| Formation : WASATCH | | PBTD : 7653.0 | | | | Perf : 5716' - 7414' | | PKR Depth : 0.0 | | | |
| Activity at Report Time: PREP TO MIRUSU | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | RU CUTTERS WIRELINE. PERFORATED NORTH HORN FROM 7162'-63', 7167'-68', 7174'-75', 7182'-83', 7188'-89', 7195'-96', 7205'-06', 7325'-26', 7334'-35', 7337'-38', 7342'-43', 7378'-79', 7381'-82' & 7413'-14' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 250 GAL 7-1/2% HCL, 165 GAL GYPTRON T-106, 4867 GAL WF116 LINEAR PAD, 7564 GAL WF116 LINEAR W/1# & 1.5# 20/40 SAND, 36664 GAL YF116ST+ W/112600# 20/40 SAND @ 2-4 PPG. MTP 7461 PSIG. MTR 41.0 BPM. ATP 3620 PSIG. ATR 37.1 BPM. ISIP 2820 PSIG. RD SCHLUMBERGER. | | | | | | | | |

RUWL. SET CFP @ 7100'. PERFORATED NORTH HORN/Ba FROM 6738'-40', 6748'-49', 6812'-13', 6828'-29', 6890'-91', 6980'-81', 7031'-32', 7053'-55' & 7068'-70' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 250 GAL 7-1/2% HCL, 165 GAL GYPTRON T-106, 2487 GAL WF116 LINEAR PAD, 4420 GAL WF116 LINEAR W/1# & 1.5# 20/40 SAND, 20049 GAL YF116ST+ W/69357# 20/40 SAND @ 2-4 PPG. MTP 4553 PSIG. MTR 37.3 BPM. ATP 3152 PSIG. ATR 34.6 BPM. ISIP 1815 PSIG. RD SCHLUMBERGER.

RUWL. SET CFP @ 6705'. PERFORATED Ba FROM 6457'-58', 6496'-97', 6527'-28', 6549'-50', 6617'-18', 6624'-25', 6648'-49', 6665'-66', 6668'-69', 6679'-80' & 6688'-89' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 250 GAL 7-1/2% HCL, 165 GAL GYPTRON T-106, 3735 GAL WF116 LINEAR PAD, 4841 GAL WF116 LINEAR W/1# & 1.5# 20/40 SAND, 20579 GAL YF116ST+ W/71500# 20/40 SAND @ 2-4 PPG. MTP 4828 PSIG. MTR 40.7 BPM. ATP 3154 PSIG. ATR 37.2 BPM. ISIP 1330 PSIG. RD SCHLUMBERGER.

RUWL. RIH SET CFP @ 6410'. PERFORATED Ba/Ca FROM 6185'-87', 6238'-39', 6274'-75', 6285'-88', 6298'-99', 6307'-08', 6359'-60' & 6383'-84' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 250 GAL 7-1/2% HCL, 165 GAL GYPTRON T-106, 2482 GAL WF116 LINEAR PAD, 3577 GAL WF116 LINEAR 1# & 1.5# 20/40 SAND, 15432 GAL YF116ST+ W/53400# 20/40 SAND @ 2-4 PPG. MTP 3047 PSIG. MTR 32.2 BPM. ATP 2324 PSIG. ATR 29.6 BPM. ISIP 1660 PSIG. RD SCHLUMBERGER.

RUWL. SET CFP @ 6115'. PERFORATED Ca FROM 5917'-25', 6071'-74' & 6083'-84' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 250 GAL 7-1/2% HCL, 165 GAL GYPTRON T-106, 2495 GAL WF116 LINEAR PAD, 3578 GAL WF116 LINEAR 1# & 1.5# 20/40 SAND, 15743 GAL YF116ST+ W/54400# 20/40 SAND @ 2-4 PPG. MTP 3645 PSIG. MTR 32.2 BPM. ATP 2886 PSIG. ATR 30.1 BPM. ISIP 2340 PSIG. RD SCHLUMBERGER.

RUWL. SET CFP @ 5810'. PERFORATED Ca FROM 5716'-17', 5722'-24' & 5786'-95' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 250 GAL 7-1/2% HCL, 165 GAL GYPTRON T-106, 2482 GAL WF116 LINEAR PAD, 3575 GAL WF116 LINEAR 1# & 1.5# 20/40 SAND, 16015 GAL YF116ST+ W/55000# 20/40 SAND @ 2-4 PPG. MTP 4437 PSIG. MTR 32.2 BPM. ATP 2992 PSIG. ATR 29.5 BPM. ISIP 2110 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 5600'. BLED OFF PRESSURE. RDWL. SDFN.

| | | | | | | | | | | | |
|---|-------|---------------|--|------------|---|----------------------|----|-------------|-----|-----------------|-----|
| 11-29-2007 | | Reported By | | HISLOP | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$25,526 | | Daily Total | | \$25,526 | |
| Cum Costs: Drilling | | \$640,730 | | Completion | | \$337,342 | | Well Total | | \$978,073 | |
| MD | 7,700 | TVD | 7,700 | Progress | 0 | Days | 10 | MW | 0.0 | Visc | 0.0 |
| Formation : WASATCH | | PBTD : 7653.0 | | | | Perf : 5716' – 7414' | | | | PKR Depth : 0.0 | |
| Activity at Report Time: CLEAN OUT AFTER FRAC | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | MIRUSU. ND FRAC TREE. NU BOP. RIH W/BIT & PUMP OFF SUB TO 5600'. SDFN. | | | | | | | | |

| | | | | | | | | | | | |
|------------------------------------|-------|---------------|---|------------|---|----------------------|----|-------------|-----|-----------------|-----|
| 11-30-2007 | | Reported By | | HISLOP | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$38,105 | | Daily Total | | \$38,105 | |
| Cum Costs: Drilling | | \$640,730 | | Completion | | \$375,447 | | Well Total | | \$1,016,178 | |
| MD | 7,700 | TVD | 7,700 | Progress | 0 | Days | 11 | MW | 0.0 | Visc | 0.0 |
| Formation : WASATCH | | PBTD : 7653.0 | | | | Perf : 5716' ~ 7414' | | | | PKR Depth : 0.0 | |
| Activity at Report Time: FLOW TEST | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5600', 5810', 6115', 6410', 6705' & 7100'. RIH. CLEANED OUT TO 7515'. LANDED TUBING @ 6700' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU. | | | | | | | | |

FLOWED 16 HRS. 32/64" CHOKE. FTP 300 PSIG. CP 550 PSIG. 50 BFPH. RECOVERED 638 BLW. 3962 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB .91'
 1 JT 2-3/8" 4.7# N-80 TBG [YB] 32.45'
 XN NIPPLE 1.30'
 205 JTS 2-3/8" 4.7# N-80 TBG [YB] 6653.35'
 BELOW KB 13.00'

LANDED @ 6700.01' KB

| | | | | | | | | | | | |
|---|--------------------|----------------------|---|-----------------------------|-------------|------------------------|----|-----------|-----|-------------|-----|
| 12-01-2007 | Reported By | HISLOP | | | | | | | | | |
| Daily Costs: Drilling | \$0 | Completion | \$2,975 | Daily Total | \$2,975 | | | | | | |
| Cum Costs: Drilling | \$640,730 | Completion | \$378,422 | Well Total | \$1,019,153 | | | | | | |
| MD | 7,700 | TVD | 7,700 | Progress | 0 | Days | 12 | MW | 0.0 | Visc | 0.0 |
| Formation : WASATCH | | PBTD : 7653.0 | | Perf : 5716' - 7414' | | PKR Depth : 0.0 | | | | | |
| Activity at Report Time: FLOW TEST | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS. 24/64" CHOKE. FTP 500 PSIG. CP 1050 PSIG. 14 BFPH. RECOVERED 484 BLW. 3478 BLWTR. SI. WO FACILITIES. | | | | | | | | |

FINAL COMPLETION DATE: 11/30/07

| | | | | | | | | | | | |
|--|--------------------|----------------------|---|-----------------------------|-------------|------------------------|----|-----------|-----|-------------|-----|
| 01-17-2008 | Reported By | DUANE COOK | | | | | | | | | |
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 | | | | | | |
| Cum Costs: Drilling | \$640,730 | Completion | \$378,422 | Well Total | \$1,019,153 | | | | | | |
| MD | 7,700 | TVD | 7,700 | Progress | 0 | Days | 13 | MW | 0.0 | Visc | 0.0 |
| Formation : WASATCH | | PBTD : 7653.0 | | Perf : 5716' - 7414' | | PKR Depth : 0.0 | | | | | |
| Activity at Report Time: INITIAL PRODUCTION | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | INITIAL PRODUCTION. FIRST GAS SALES: OPENING PRESSURE: TP 1000 & CP 1780 PSI. TURNED WELL TO QUESTAR SALES AT 12:00 PM, 01/16/08. FLOWED 330 MCFD RATE ON 14/64" POS CHOKE. STATIC 370. | | | | | | | | |

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

| | | | | | |
|--|--|---|---|--|--|
| 1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other | | | 5. Lease Serial No. UTU01304 | | |
| b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____ | | | 6. If Indian, Allottee or Tribe Name | | |
| 2. Name of Operator EOG RESOURCES, INC. | | | 7. Unit or CA Agreement Name and No. CHAPITA WELLS UNI | | |
| Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com | | | 8. Lease Name and Well No. CHAPITA WELLS UNIT 674-06 | | |
| 3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202 | | 3a. Phone No. (include area code) Ph: 303-824-5526 | | 9. API Well No. 43-047-37083 | |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface SENW 1760FNL 1995FWL 40.06717 N Lat, 109.37176 W Lon At top prod interval reported below SENW 1760FNL 1995FWL 40.06717 N Lat, 109.37176 W Lon At total depth SENW 1760FNL 1995FWL 40.06717 N Lat, 109.37176 W Lon | | | | 10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH | |
| 14. Date Spudded 10/18/2007 | | | | 11. Sec., T., R., M., or Block and Survey or Area Sec 6 T9S R23E Mer SLB | |
| 15. Date T.D. Reached 11/11/2007 | | | | 12. County or Parish UINTAH | |
| 16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 01/16/2008 | | | | 13. State UT | |
| 17. Elevations (DF, KB, RT, GL)* 4906 GL | | | | | |
| 18. Total Depth: MD TVD 7700 | | 19. Plug Back T.D.: MD TVD 7653 | | 20. Depth Bridge Plug Set: MD TVD | |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/VOLGR | | | | 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) | |

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 12.250 | 9.625 J-55 | 36.0 | 0 | 2528 | | 675 | | | |
| 7.875 | 4.500 N-80 | 11.6 | 0 | 7700 | | 1220 | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|-------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2.375 | 6700 | | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|------------|------|--------|---------------------|------|-----------|--------------|
| A) WASATCH | 5716 | 7414 | 7162 TO 7414 | | 3 | |
| B) | | | 6738 TO 7070 | | 3 | |
| C) | | | 6457 TO 6689 | | 3 | |
| D) | | | 6185 TO 6384 | | 3 | |

26. Perforation Record

| Depth Interval | Amount and Type of Material |
|----------------|--|
| 7162 TO 7414 | 250 GALS HCL; 49,260 GALS GELLED WATER & 112,600# 20/40 SAND |
| 6738 TO 7070 | 250 GALS HCL; 27,121 GALS GELLED WATER & 69,357# 20/40 SAND |
| 6457 TO 6689 | 250 GALS HCL; 29,320 GALS GELLED WATER & 71,500# 20/40 SAND |
| 6185 TO 6384 | 250 GALS HCL; 21,656 GALS GELLED WATER & 53,400# 20/40 SAND |

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 01/16/2008 | 01/23/2008 | 24 | → | 0.0 | 774.0 | 53.0 | | | FLOWS FROM WELL |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| 14/64" | 1190 | 1400.0 | → | 0 | 774 | 53 | | PGW | |

28a. Production - Interval B

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| | | | → | | | | | | |

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #58677 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED

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28b. Production - Interval C

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |

28c. Production - Interval D

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top Meas. Depth |
|-----------|------|--------|------------------------------|---|--|
| WASATCH | 5716 | 7414 | | GREEN RIVER MAHOGANY WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER | 2096 2717 5035 5635 6298 7483 |

32. Additional remarks (include plugging procedure):
Please see the attached sheet for detailed perforation information.

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7 Other: | |

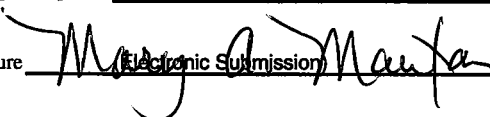
34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #58677 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 02/19/2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

Chapita Wells Unit 674-06 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

| | |
|-----------|-------|
| 5917-6084 | 3/spf |
| 5716-5795 | 3/spf |
| | |
| | |

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

| | |
|-----------|---|
| 5917-6084 | 250 GALS HCL; 21,981 GALS GELLED WATER & 54,400# 20/40 SAND |
| 5716-5795 | 250 GALS HCL; 22,237 GALS GELLED WATER & 55,000# 20/40 SAND |
| | |
| | |

Perforated the North Horn from 7162-63', 7167-68', 7174-75', 7182-83', 7188-89', 7195-96', 7205-06', 7325-26', 7334-35', 7337-38', 7342-43', 7378-79', 7381-82' & 7413-14' w/ 3 spf.

Perforated the North Horn/Ba from 6738-40', 6748-49', 6812-13', 6828-29', 6890-91', 6980-81', 7031-32', 7053-55' & 7068-70' w/ 3 spf.

Perforated the Ba from 6457-58', 6496-97', 6527-28', 6549-50', 6617-18', 6624-25', 6648-49', 6665-66', 6668-69', 6679-80' & 6688-89' w/ 3 spf.

Perforated the Ba/Ca from 6185-87', 6238-39', 6274-75', 6285-88', 6298-99', 6307-08', 6359-60' & 6383-84' w/ 3 spf.

Perforated the Ca from 5917-25', 6071-74' & 6083-84' w/ 3 spf.

Perforated the Ca from 5716-17', 5722-24' & 5786-95' w/ 3 spf.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 674-06

API number: 4304737083

Well Location: QQ SENW Section 6 Township 9S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

| DEPTH | | VOLUME (FLOW RATE OR HEAD) | QUALITY (FRESH OR SALTY) |
|-------|-------|-------------------------------|-----------------------------|
| FROM | TO | | |
| 2,050 | 2,060 | NO FLOW | NOT KNOWN |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Formation tops: 1 _____ 2 _____ 3 _____
(Top to Bottom) 4 _____ 5 _____ 6 _____
 7 _____ 8 _____ 9 _____
 10 _____ 11 _____ 12 _____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 2/19/2008

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

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Water encountered (attach additional pages as needed):

| DEPTH | | VOLUME (FLOW RATE OR HEAD) | QUALITY (FRESH OR SALTY) |
|-------|-------|-------------------------------|-----------------------------|
| FROM | TO | | |
| 2,050 | 2,060 | NO FLOW | NOT KNOWN |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Formation tops: 1 _____ 2 _____ 3 _____
 4 _____ 5 _____ 6 _____
 7 _____ 8 _____ 9 _____
 10 _____ 11 _____ 12 _____
 (Top to Bottom)

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 2/19/2008

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG Resources, Inc. Operator Account Number: N 9550
Address: 600 17th St., Suite 1000N
city Denver
state CO zip 80202 Phone Number: (303) 824-5526

Well 1

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--|---------------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 43-047-38695 | Chapita Wells Unit 718-01 | | SWNW | 1 | 9S | 22E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| C | 15154 | 4905 | | | | 10/16/2007 | |
| Comments: <i>WSTC from 1st Production</i> — <i>3/13/08</i> | | | | | | | |

Well 2

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--|---------------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 43-047-37083 | Chapita Wells Unit 674-06 | | SENE | 6 | 9S | 23E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| C | 16440 | 4905 | | | | 10/18/2007 | |
| Comments: <i>WSTC from 1st Production</i> — <i>3/13/08</i> | | | | | | | |

Well 3

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--|-----------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 43-047-38700 | Hoss 33-30 | | SWNW | 30 | 8S | 23E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| C | 16191 | <i>16191</i> | | | | 1/22/2008 | |
| Comments: <i>MVRD to WSMVD</i> <i>3/5/08</i> | | | | | | | |

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

Title

3/5/2008

Date

(5/2000)

RECEIVED

MAR 05 2008

DIV. OF OIL, GAS & MINING